

AERZEN

Sustainability Report 2024

Engineering for a sustainable world!



AERZEN
EXPECT PERFORMANCE

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1. Foreword General Management

Dear Readers,

As in previous years, the guiding principle of "Engineering for a sustainable world" was at the centre of our business activities within the AERZEN Group in 2024. Despite the changing focus on other global crises, climate change is still present despite many encouraging measures and initiatives. The target set at the 2015 Paris Climate Conference of a maximal average temperature rise of 1.5°C compared to pre-industrialisation was exceeded for the first time in 2024, contrary to all forecasts. The world's population will continue to grow - albeit at a slower rate - until a predicted maximum in the middle of this century, which means that the demand for clean drinking water will continue to rise. At EU level, 2024 was characterised by preparations for Group-wide sustainability reporting based on the CSRD / ESRS. In 2025, however, the European Union initiated various reliefs in sustainability requirements within the scope of the so-called omnibus process. For AERZEN, this means a two-year shift in the reporting obligation under CSRD. Despite this postponement, AERZEN is pressing ahead with preparations with unchanged commitment and a high level of attention.

In this global environment, we as the AERZEN Group can offer innovative solutions with our products and applications, especially in the "Climate Change" and "Water Treatment" ranges, with regard to the careful use of natural resources and a predominantly renewable energy generation in the future.

As a machine and system manufacturer, we use our innovative strength and our daily actions to find and develop individual solutions for the global challenges in the fields of wastewater, industry, chemistry, energy, food and maritime applications for a world that is also worth living in in the future.

Climate change and a growing world population require a water supply that is able to provide clean drinking water reliably and sustainably in all regions of the world, as well as to remove pollution efficiently and effectively. This is where the AERZEN Group makes a decisive contribution, as we are one of the few suppliers who meet the high requirements of the water technology industry worldwide. Our many years of experience in customer-specific design, scale-up, construction and process integration of wastewater treatment plants are very relevant today. Whether individually, in combination as Performance³ or now as a complete system supplied by AERZEN including the aeration technology, our positive displacement blowers, rotary lobe compressors and turbo blowers are used to produce clean water worldwide with maximum energy efficiency. Together with our customers, we are continuously working on further sustainable solutions.

Beyond water treatment, we also clearly demonstrated our role as a leading technology provider in miscellaneous system-relevant industries in 2024: in pneumatic transport in the field

of basic materials and foodstuffs, in the maritime sector and in the process gas sector of the chemistry industry and power generation. With our energy-efficient machines and systems, total system solutions and comprehensive services, we have helped our customers worldwide to provide their products, processes and services in a sustainable and resource-saving manner, even with the most rigid environmental and production conditions.

Man-made climate change, with its negative effects on humans, flora and fauna worldwide, has led to the conviction that decarbonisation must be implemented in all fields of industry, transport and energy supply in the short and medium term. Here AERZEN offers the ideal solution with the new hydrogen compressors in the downstream process of electrolysis plants, both for distribution and transport as well as in the use of modern direct reduction plants for steel production.

Within the context of improving our corporate carbon footprint, we have not lost sight of our efforts in the area of climate protection and sustainability for our own production. For example, we want to put a PV system with a final installed performance of 1.5 MWp into service in Germany. Over the course of the year, for example, we can cover around 10% of our total electricity requirements at the AERZEN headquarters from renewable sources. We have also switched our electricity supply contract with our local energy supplier to 100% renewable electricity at the beginning of 2024. Furthermore, our own compressed air supply will be converted to water-injected packages from AERZEN in 2025, which combine the best energy efficiency with oil-free operation.

The awarding of contracts, particularly in the public sector, is increasingly based on requirements for compliance with sustainability criteria, both nationally and internationally. In 2024, we improved our rating on the world's leading ESG platform Ecovadis, which is relevant for our international customers, and once again achieved "Bronze" status. Through extensive measures in the area of sustainability and compliance particularly in the "implementation" and in the "reporting", we aim for maintaining the bronze status in 2025.

The positive feedback from our stakeholders encourages us to continue our sustainability efforts with full commitment and to expand our sustainability strategy. We want to give our commitment even more importance and visibility in the future. Here we report in more detail and beyond the mandatory topics of the non-financial group statement. In this report, we take a closer look at our sustainable applications, products, development activities, sustainability in the supply chain and our approach to occupational safety and the environment, among other things. Through these different perspectives, we want to show what we mean by "Engineering for a sustainable world".

It requires power, courage and perseverance to drive economically healthy companies like the AERZEN Group forward in a sustainable and innovative way. As a technology and quality leader, we face up to this global responsibility and make our contribution to a more sustainable world.

Sincerely
Your General Management AERZEN

Management AERZEN



A handwritten signature in black ink, appearing to read 'Klaus Peter Glöckner'.

Klaus Peter Glöckner



A handwritten signature in black ink, appearing to read 'Michael Andersen'.

Michael Andersen



A handwritten signature in black ink, appearing to read 'Chris Jörg Rosen'.

Dr. Chris Jörg Rosen

2. Sustainability strategy

2.1 Description of the sustainability strategy

The AERZEN Group knows the importance of sustainability and strives to minimise environmental impact, take social responsibility and achieve economic benefit. This sustainability strategy serves as a guide for our future activities and aims to ensure that we reach our sustainability goals.

CSRD implementation at AERZEN

A key focus of our actions is to achieve climate neutrality by 2045. Preparations for the mandatory application of the Corporate Sustainability Reporting Directive (CSRD) continued in 2024. Within the scope of the EU omnibus process, the reporting obligation for companies in the second implementation wave was shifted by two years. AERZEN is affected by this regulation and is therefore expected to publish a sustainability report in accordance with CSRD for the first time in 2028, referred to the 2027 financial year.

Irrespective of the extended deadline, the company is working on creating the required conditions for compliant reporting. The focus here is on establishing internal processes and structures and gradually harmonising with the requirements of the European Sustainability Reporting Standards (ESRS).

One focus was on the creation of standardised structures for data collection. For this purpose, a Group-wide accounting manual was developed, which serves as the basis for the standardised and simplified recording of relevant sustainability data at the parent company and in the subsidiaries.

At the end of 2024, initial training sessions were held at selected subsidiaries to familiarise the local units with the contents and requirements of the manual. The initial data collection in the 20 largest subsidiaries took place in the first quarter of 2025.

In addition, progress was achieved in greenhouse gas accounting in 2024: For Scope 3, emissions were determined on the basis of reliable projections. Particularly in the range of category 3.11 "Use of products sold", recess analyses were carried out regarding the calculation methodology and data sources, as a significant component of Group-wide emissions is assumed to be in this category.

With these measures, another milestone was reached in 2024 on the way to CSRD compliance and transparent, forward-looking sustainability reporting.

Compliance with the Supply Chain Duty of Care Act is also being carefully prepared. However, it is not yet clear when Aerzener Maschinenfabrik GmbH will be obliged to report to the Bafa. Further information can be found in chapter 8.1. In addition, the adoption of a European supply chain law (CSDDD) is imminent, for which preliminary contents have already been finalised.

In addition to the relevant laws, we are also subject to other important directives and regulations such as REACH, RoHS, WEEE, the EU Battery Directive, UWWTD and possibly the PFAS ban. These regulations aim to protect human health and the environment, limit the use of hazardous substances, regulate the disposal of electrical and electronic equipment and batteries and reduce environmental pollution by waste water.

However, the AERZEN Group not only fulfils the legal requirements, but also goes above and beyond to meet the expectations of our customers. Due to increased customer enquiries, we offer a calculation of the product carbon footprint for machines used in the wastewater industry. These calculations include emissions from the blanks, our production, emissions during the operating period and emissions during transport to the customer. In future, further real data from our suppliers will be included in the calculations.

The largest production site, Aerzener Maschinenfabrik, has already carried out a calculation of Scope 1 and Scope 2 emissions. These calculations will also be carried out for other Group locations in the future.

Topics that have been recognised as substantial for the AERZEN Group can be seen in the following chart. The results of our materiality analysis workshops have already been incorporated here.

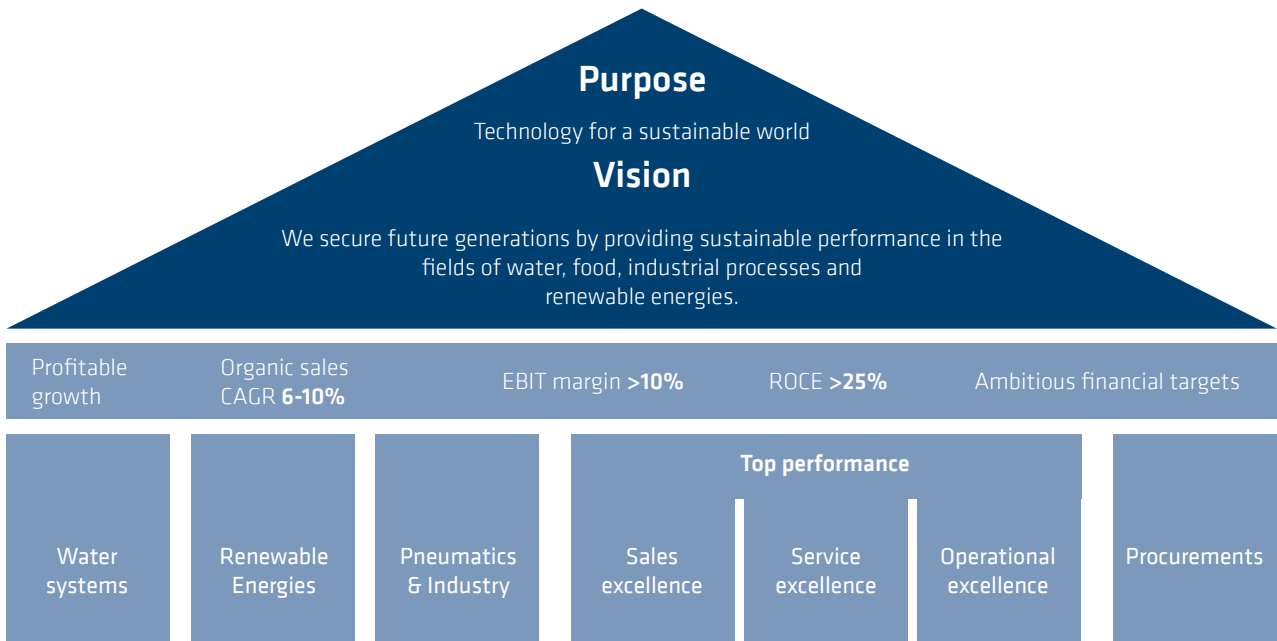


Figure 1: Basis for sustainable growth and continuous improvement

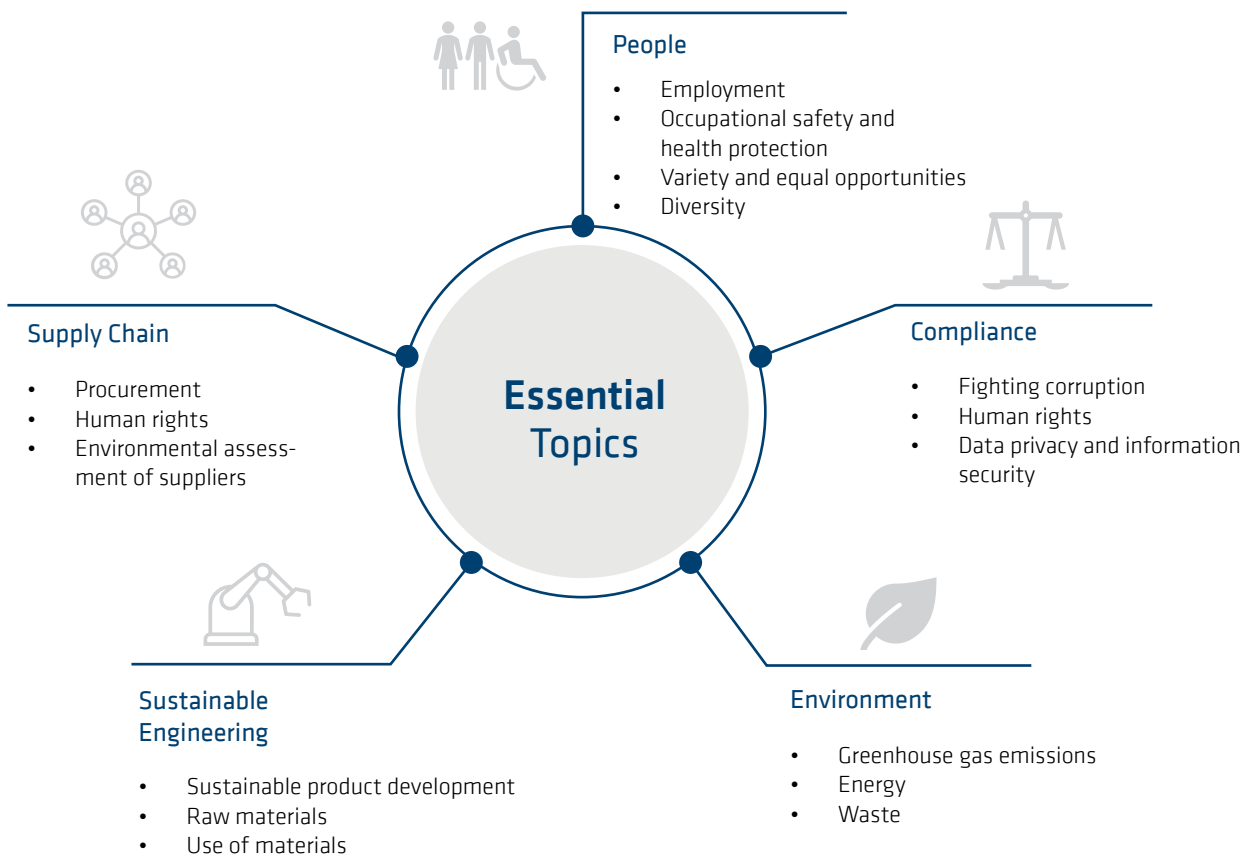


Figure 2: Key topics of the AERZEN Group

Sustainability assessments

The AERZEN Group regularly receives sustainability ratings from organisations such as Ecovadis and IntegrityNext. These assessments allow us to measure and improve our performance and progress on environmental, social and management issues.

According to the Ecovadis assessment results, we achieved an overall score of 63. This confirms our continuous efforts to implement and meet sustainability standards in our business operations. As a company, it is important for us to be transparent and to document our sustainability performance to our customers, partners and stakeholders.

Our goal for the year 2025 is to maintain the bronze medal status and further expand our sustainability efforts. We are confident that our dedicated actions and initiatives will help us achieve this award and continue our positive contribution to sustainability.

In addition, we are pleased to announce that the AERZEN Group is in the top 35% of companies assessed by Ecovadis. We will use this positive momentum to further improve our performance and set new sustainability targets.



Figure 3: Ecovadis Medal

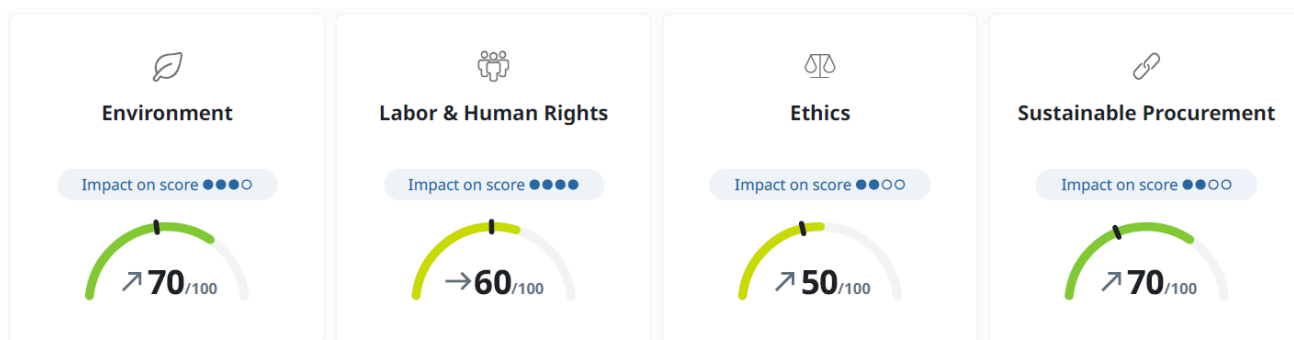


Figure 4: Scorecard at Ecovadis 2024

In June 2025, our subsidiary RKR Gebläse und Verdichter GmbH was awarded the EcoZert sustainability certificate by Creditreform Hameln. The audit was based on AERZEN's consolidated financial statements and confirms RKR's responsible and forward-looking actions in line with the ESG criteria.

The award particularly recognises progress in resource efficiency, social commitment and long-term stable corporate management. It underlines RKR's continuous endeavours to embed sustainability in its operations and at the same time strengthens AERZEN's position as a group of companies with a clear alignment towards responsible business practices.



Figure 5: EcoZert award for subsidiary RKR Gebläse und Verdichter GmbH

Another example is AERZEN Belgium, which was honoured as a "Laureate 2025" in June 2025 within the scope of the Voka Charter for Sustainable Entrepreneurship. The award recognises the measures implemented in 2024 for promoting sustainable development in line with the 17 United Nations Sustainable Development Goals (SDGs).

The Voka Charter Duurzaam Ondernemen (VCDO) is a Belgian sustainability tool offered by the Flemish Regional Chambers of Commerce (Voka). It supports companies in gradually integrating sustainability into their business processes in a practical manner. Participation is based on an annual action plan that connects economic, environmental and social goals.



Figure 6: AERZEN BELGIUM receives the Voka certificate

2.2 Sustainable goals

General targets

As a supplier of machines in the field of compressed air, process gas and vacuum technology, the AERZEN Group has already proven its strong alignment with sustainability in the past. The AERZEN Group has set itself the following long-term sustainability goals:

Energy efficiency: AERZEN Group aims to develop and offer energy efficient solutions to reduce the energy consumption of its machines and help customers optimise their energy demand.

Resource efficiency: The aim is to improve resource efficiency in production, minimise waste and promote the use of recycled or recyclable materials.

Emission reduction: AERZEN Group takes measures to minimise emissions from its products and processes.

Product life cycle optimisation: AERZEN Group strives to optimise the total life cycle of its products, from manufacture and operation to disposal or recycling. This includes the development of products with longer service life, easy maintenance and repair.

Innovation and research: AERZEN Group invests in research and development to develop innovative solutions that help customers achieve their sustainability targets. This includes the development of intelligent control systems, improved efficiency technologies or new scopes of application.

Employee commitment and occupational safety: AERZEN Group focuses on creating a safe and healthy working environment.

Supply chain management: AERZEN Group ensures that its suppliers follow sustainable practices and comply with social and environmental standards.

Transparent reporting: AERZEN Group is committed to measuring, tracking and transparently reporting on its sustainability performance to increase accountability to stakeholders.

Concrete targets

From these fundamental goals, we have defined numerous concrete sustainability targets for 2025 and medium-term goals to measure our efforts and progress in various ranges and ensure that we achieve them.

These sustainability targets are an integral part of our long-term strategy and commitment to sustainable development. We will regularly monitor progress, take action and adjust our targets accordingly to ensure that we achieve our sustainability targets. In the following we present some of these targets:



Sustainable Engineering



- ← Reduction of conflict and environmentally harmful materials →
- Sale of more direct-drive machines
- Sale of more Delta Hybrids
- Maintaining Ecovadis Bronze status



People



- Reducing the accident rate
 - ← Reactivation GeSI team: Organise a healthcare day →
 - ← Zero recalls in the scope of ISO 22000 certification →
- Recording and evaluation of near-accidents in the headquarters: via shop floor regular communications



Environment



- Switch to green electricity at the headquarters
- Switch to green electricity in individual subsidiaries
- Reduction of Scope 2 emissions at the parent company
- Extension of the PV plants
 - ← Annual electricity savings of 1.2% at the headquarters →
 - ← Annual electricity savings of 0.9% of thermal energy at the headquarters →



- Scope 3 record emissions of the entire AERZEN Group
- Scope 1 and 2 record emissions for all locations
- Development of a transformation plan to achieve climate neutrality by 2050
 - ← Comply with limit values for solvent balance →



Supply chain



- 75% of all suppliers have signed our code of conduct (> € 75,000 turnover)
- All suppliers are assessed on ESG issues (more than € 75,000 turnover)



- Improving the calculation of the product carbon footprint with real data from suppliers
- All new suppliers receive questionnaires on the topics of the environment, occupational safety, human rights, information security and compliance



Compliance



- ← No serious violation of the compliance guidelines and laws →
- 80% of the employees have received compliance training

Chart 1: Overview of the goals

3. AERZEN Group

3.1 General information about the company

The AERZEN Group is one of the world's most important manufacturers of high-performance machines for industry and is a market leader in many scopes of application. The company produces positive displacement blowers, screw compressors, rotary lobe compressors and turbo blowers. The family business was founded in 1864 and four years later the first positive displacement blower was built.

Our company is headquartered in Aerzen, Germany, and is represented globally in over 100 countries. With many years of experience and strong technical expertise, we offer customised solutions for a wide field of industries, including energy, chemicals, water and wastewater, industrial, food and beverage, pharmaceutical and many others.

Our product portfolio includes a wide range of machines and systems of positive displacement blowers, rotary lobe compressors, screw compressors and turbo blowers. These high-quality products are characterised by their efficiency, reliability and innovative technology. They enable our customers to optimise their production processes, reduce energy costs and minimise their environmental impact at the same time.

With more than 60 subsidiaries and 3,000 employees, the AERZEN Group is constantly working on new innovations in blower and compressor technology in over 100 countries around the world.

We continuously invest in research and development to advance our technologies and develop new solutions. At the same time, we are in close dialogue with our customers to understand their requirements and offer them the best possible solutions. Distinctive customer orientation in all company sections is the key to our success. Orientation towards customers and development of products are aimed at geographic market requirements and application areas of our products. Thanks to our specialised process knowledge and know-how, we are able to offer innovative and environmentally friendly system solutions.

Our goal is to create sustainable value for our customers, employees, partners and society. Through our years of experience, technical expertise and focus on sustainability, we strive to be a trusted partner for our customers and to shape a successful future together.

3.2 Economic performance

In the range of economic performance (HGB), the AERZEN Group recorded the following key figures:

	2022	2023	2024
Incoming orders in million euros	656.2	613.9	626.0
Turnover in million euros	519	641.3	658.6
EBITDA in million euros	77.5	118.0	111.3
EBITDA% of turnover	14.9	18.4	16.9
ROCE [%]	24.2	31.2	24.2
Employees (m/f) (annual average without trainees)	2,529	2,749	2,984

Chart 2: Key financial figures of the AERZEN Group

The economic development of Aerzener Maschinenfabrik GmbH also indicates a stable and healthy business performance in 2024. Incoming orders increased year-on-year to € 626.0 million, after falling slightly to € 613.9 million in 2023 (2022: 656.2 million euros). Despite challenges on the German market and in parts of Europe, the markets in America in particular once again recorded robust growth.

Sales increased to EUR 658.6 million in 2024, once again exceeding the already strong previous year (2023: 641.3 million euros; 2022: 519.0 million euros). The difference between incoming orders and turnover in 2023 was due to the processing of extensive order backlogs.

EBITDA (earnings before interest, taxes, depreciation and amortisation) remained at a good level of EUR 111.3 million, even though it was below the record figure of 2023 (EUR 118.0 million), as expected. This reflects continued high operating profitability.

The EBITDA margin was 16.9% in 2024 and thus above the level of 2022 (14.9%), but slightly below the very strong margin of 18.4% in 2023. This development indicates that the company continues to operate efficiently and utilise its resources in a targeted manner.

The return on capital employed (ROCE) in 2024 was 24.2%, the same level as in 2022. The decline compared to the peak value of 31.2% in 2023 is partly due to continued investments in production capacities, effects from M&A activities and comparatively high inventories to ensure delivery capability.

The number of employees (annual average excluding training supervisors) grew continuously from 2,529 in 2022 to 2,749 in 2023 and reached a new high of 2,984 in 2024. This underlines the company's growth and its sustainable commitment to creating skilled workplaces.

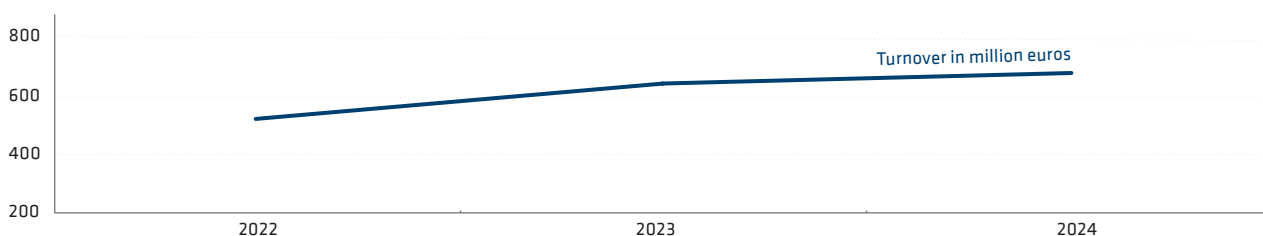


Figure 7: Sales performance of the AERZEN Group

3.3 Contribution to regional economic growth

The AERZEN Group not only strives to be successful as a company, but also to make a positive contribution to regional economic growth. As a global company with headquarters in Aerzen, we understand the importance of our anchoring in the region and the role we can play in promoting the local economy. In the following, we explain our contribution to regional economic growth:

Workplaces and employment

As one of the largest employers in the region, we create workplaces and provide employment opportunities for a wide range of skilled professionals. Through our investments in research and development, production, sales and services, we create a sustainable employment base and contribute to strengthening the regional economy. We also train skilled workers and offer young people in the region a starting into working life. The social offer for employees, such as dragon boating, football, cycling/running groups or the company fire brigade, also attracts new employees to us.

Value chain and suppliers

We work closely with a wide range of suppliers and partners in the region. By promoting a sustainable supply chain and supporting local businesses, we help to maintain and promote workplaces and economic activity in the region. In addition, we can save CO₂ through the short delivery routes. We focus on long-term relationships with our suppliers and offer them the opportunity to develop together with us.

Innovation and research

As a technology-oriented company, we invest in innovation and research to continuously develop our products and solutions. For example, we are cooperating with the Leibniz University of Hanover to increase the isentropic and isothermal efficiency of our products. In this way, we make it possible for miscellaneous students to complete their theses.

Cooperation with local institutions and organisations

We are actively involved in regional networks, associations and business organisations. Through this cooperation, we support initiatives and projects to promote regional economic growth, for example by sharing best practices, promoting young skilled labour together with the VDMA and OWL-Maschinenbau e. V. (OWL Mechanical Engineering Association).

4. Sustainable applications - Engineering for a sustainable world

4.1 Water treatment of the future

Focus on energy and resource efficiency

Many existing wastewater treatment plants use outdated aeration technology that consumes high quantities of energy and resources. To counteract this problem, it is important to systematically tap into previously unutilised savings potential. The AERZEN Group accompanies operators from the planning stage through to maintenance when converting to modern, efficient machinery.

Due to rising energy prices, increased economic pressure and the realisation of climate targets in accordance with the Paris Agreement, increasing efficiency in municipal and industrial wastewater treatment plants is becoming more and more important. The price of electricity in Germany has been around 42% higher than the European average since 2018. At the same time, water is becoming a scarcer resource worldwide. This makes sustainable, resource-saving processing all the more important. With innovative technology, sound expertise and intelligent control systems, AERZEN supports the sustainability of water management.

The investment in advanced treatment solutions usually pays for itself within two years, as the profitability of the system increases significantly. Simply replacing outdated technology with energy-efficient blower and compressor systems can reduce the operating costs of a wastewater treatment plant by an average of 30%. A holistic approach, taking into account current standards and efficient technologies such as turbo blowers and modern ventilation technology, helps to avoid unnecessary follow-up costs.

The holistic approach: AERwater

With AERwater, the AERZEN Group has developed a modular overall concept that integrates all aspects of aeration processes in wastewater treatment plants. The 360° approach makes it possible to noticeably reduce energy and resource consumption and optimise systems to meet the requirements of "Water 4.0". Digitisation and automation are key elements for greater flexibility and efficiency.



Figure 8: Wastewater treatment plant in Roskow, which was equipped with new technology by the Aerzen Group in 2024

The AERwater modules at a glance

- AERaudit: Temporary measurements of volume flow, pressure, performance and temperature for realistic recording of system utilisation
- Performance: Demand-oriented optimisation of the machine park through suitable technology combinations
- Machine room optimisation: Measures for room and energy efficiency, for example through sound insulation or heat recovery
- Financing advice: Support with funding applications and investment planning
- Implementation support: Help with dismantling old technology, commissioning or temporary rental solutions
- AERsmart: Intelligent control technology for energy balance optimisation and data management
- AERprogress: Use of process data for the targeted optimisation of wastewater treatment
- Service 4.0: Comprehensive spare parts and service management

Thanks to the modular structure, individual components of the AERwater concept can also be gradually integrated into existing systems. AERZEN thus offers maximum flexibility on the way to a sustainable, future-proof wastewater treatment plant.

PERFORMANCE³ - efficient use of technology

Aeration is one of the biggest energy consumption factors in wastewater treatment. Machines frequently do not run at the optimum operating point and therefore work inefficiently. The performance component of the AERwater concept ensures ideal utilisation of the machine fleet by using a needs-based combination of different technologies.

Instead of a standardised blower size, a customised combination is recommended in many cases, e.g. by mixing several technologies or sizes. Depending on the load profile, however, the use of a single, precisely dimensioned package can also be the most efficient solution. It is always important to analyse the actual requirements of the respective wastewater treatment plant and to design the technology accordingly.

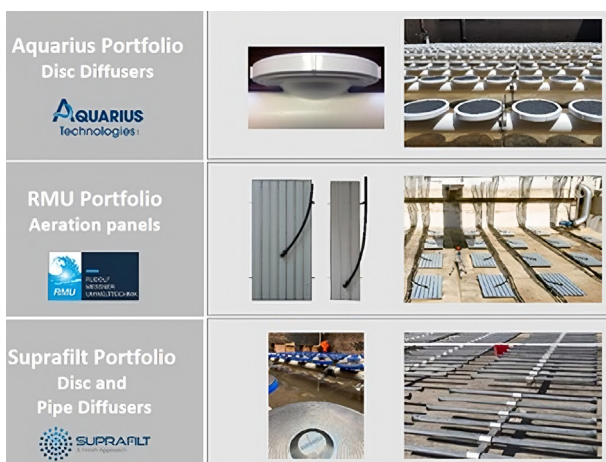


Figure 9: Different types of aeration technology for wastewater treatment plants

Aeration technology for wastewater treatment plants

The efficiency of a wastewater treatment plant is not determined solely by the blower or compressor technologies used. The ventilation technology used is just as important. Since 2020, the AERZEN Group has specifically integrated manufacturers in this range and thus offers holistic solutions. Thanks to state-of-the-art machine technology, oxygen input, energy consumption and CO₂ output can be improved even with a more compact basin size. This results in noticeable savings and greater efficiency at the same time. Examples of the successful implementation of this concept can be found at the wastewater treatment plants in Roskow near Berlin and in Göhren on the island of Rügen, among others.

Three machines for more performance

The AERZEN Group offers three powerful blower types for different requirements:

- Delta Blower (positive displacement blower): Robust design, wide turndown (25-100%) and low investment costs, ideal for economically orientated applications.
- Delta Hybrid (rotary lobe compressor): combines the advantages of blower and compressor technology, particularly efficient in the partial load range.
- AERZEN Turbo (turbo blower): optimum efficiency at the design point, ideal for high air volumes with low energy consumption.

The strengths of the individual technologies complement each other and enable precise cover of the entire load profile. The result is a customised machine park that not only saves energy, but also reduces operating costs.

High efficiency ultra-fine bubble aeration panels for energy efficiency focussed solutions.

Fine bubble disc and pipe diffusers for standard and more cost sensitive and/or retrofit applications.

Coarse bubble diffusers for special applications.

Complete piping layout and connections by AERZEN subsidiaries and/ or Suprafil/ Aquarius.

Outlook

In November 2024, the EU adopted the UWWTD (Urban Waste Water Treatment Directive) on the treatment of municipal wastewater, which must be implemented by 1 August 2027. This affects around 71,000 municipal wastewater treatment plants within the EU. Through mandatory energy audits that take place every four years, the plants must prove that the quotas for the use of renewable energies set out in the regulations are fully met by 2045. AERZEN supports this with its own energy consultants by connecting optimised compressor, aeration and control technology for customers to reduce electricity consumption and costs to a minimum. With this service portfolio, the AERZEN Group offers the solutions required by operators of EU wastewater treatment plants to reduce CO₂ emissions to "zero" by 2040 within the scope of the UWWTD.

4.2 Hydrogen technologies - the key to an emission-free future

The consequences of climate change, such as extreme weather conditions, droughts and floods, are increasingly being felt around the world. They influence political, social and economic decisions and make sustainable technologies an indispensable part of future developments. A central component of the global energy transition is hydrogen - often designated as the "oil of the future". The AERZEN Group is also firmly committed to this topic of the future and is contributing its decades of expertise in the range of compressor and blower technologies to complex hydrogen applications. The compression of hydro-

gen is essential for numerous applications along the value chain. AERZEN hydrogen compressors transport the hydrogen obtained from electrolysis plants together with reciprocating compressors into the public infrastructure, such as into pipelines or onto ships. A current example is the planned equipping of the electrolysis plant in Lubmin (Mecklenburg-Western Pomerania) with three AERZEN VRW 536 M hydrogen compressors, for which contract negotiations are currently in the final phase.

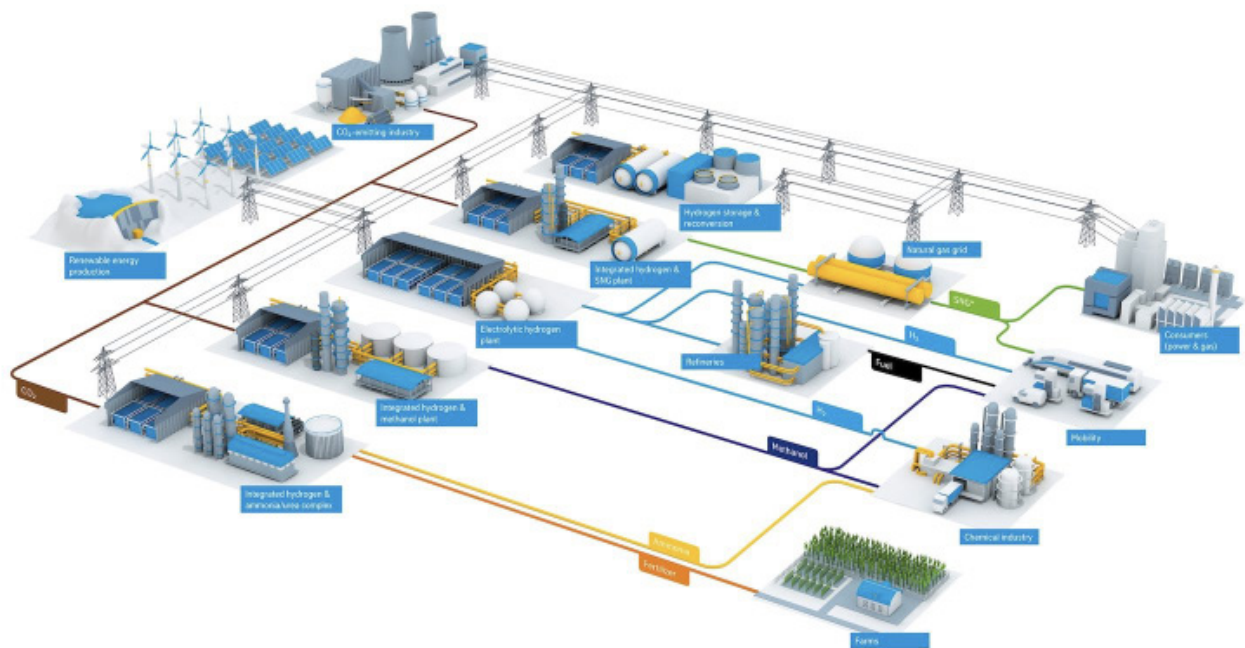


Figure 10: Transport of hydrogen in public infrastructure

Hydrogen also opens up new possibilities in industry. In modern DRI (Direct Reduced Iron) steelworks, the hydrogen can be fed directly from the electrolysis plant into the reactor to produce sponge iron. This is then transported into the electric arc furnace using AERZEN process gas compressors.

Even conventional steelworks without DRI technology offer great potential for CO₂ reduction. The demand for corresponding solutions is constantly increasing - a trend that AERZEN is responding to with customised technologies.

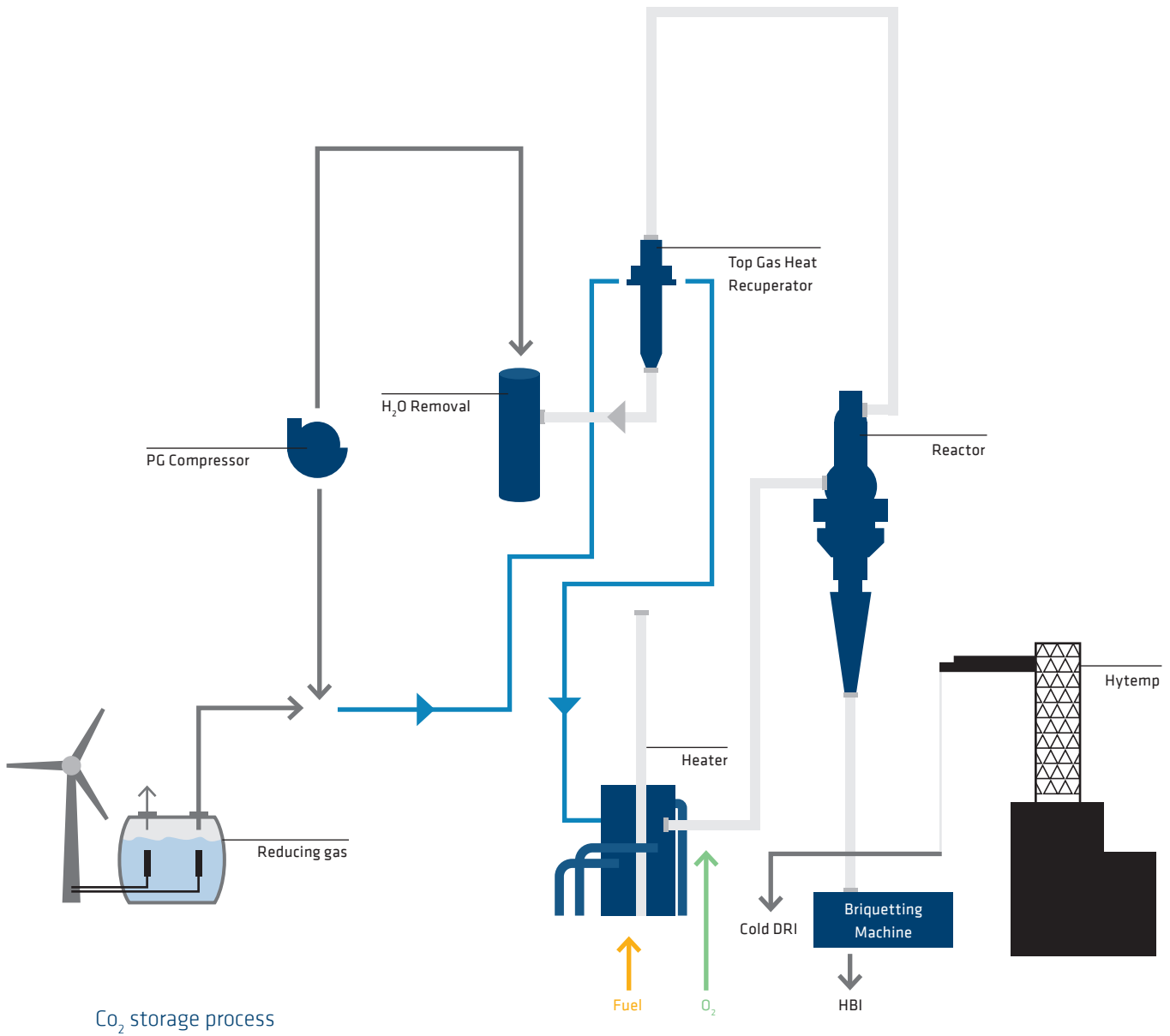


Figure 11: Direct reduction for steel production

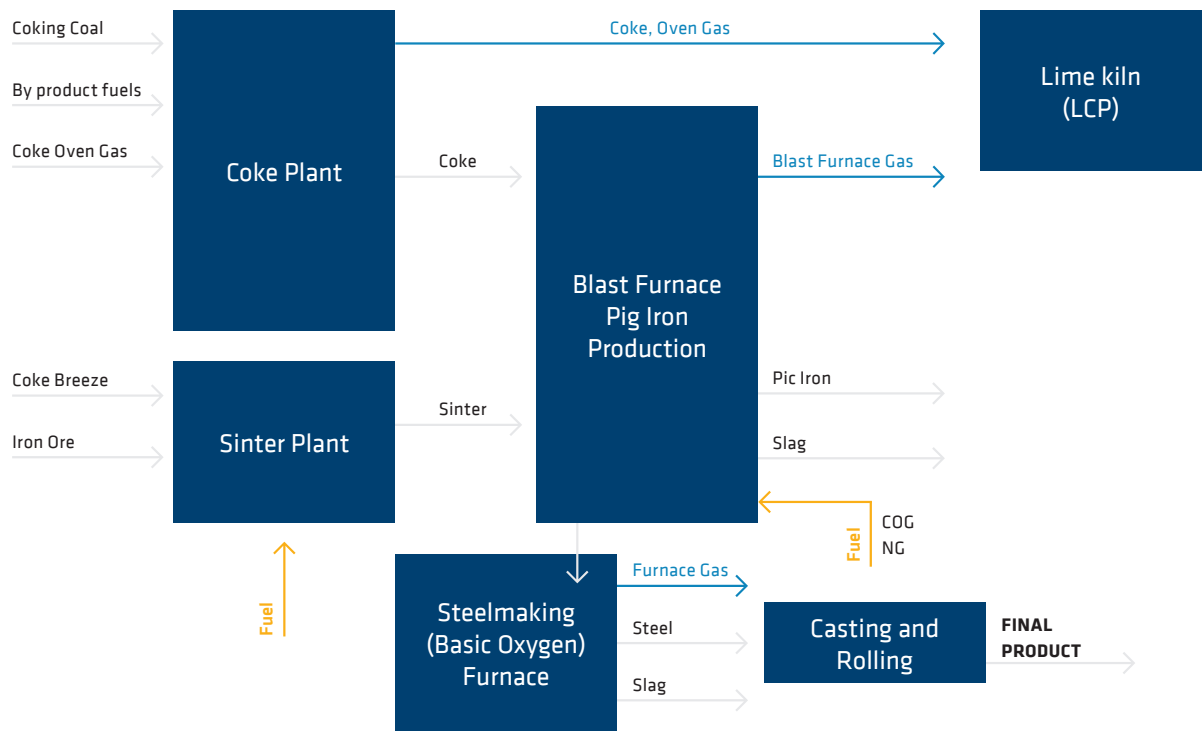


Figure 12: CO₂ storage process

AERZEN technologies also play a central role in the range of CO₂ capture and utilisation (CCU) and CO₂ storage (CCS). Specially developed compressors can be used to reliably transport CO₂ quantities that have already been emitted or are produced

during industrial processes and process them further in downstream processes. This makes AERZEN a key component of climate-relevant future technologies.

CO₂ capture and utilisation/ storage (CCU/ CCS)

Various capture technologies (from industrial process and directly from air)

Big Picture:

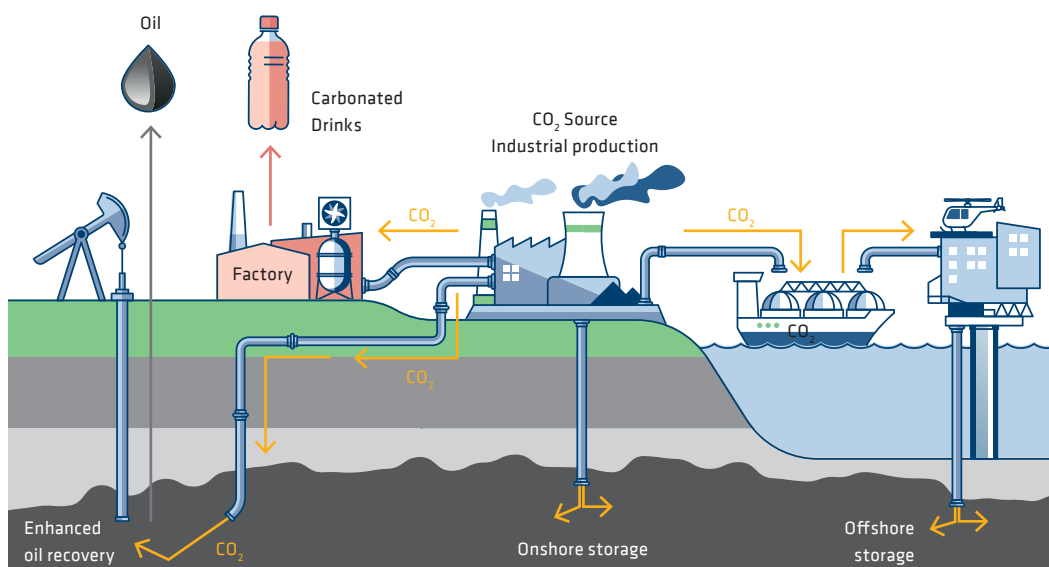


Figure 13: Carbon Capture and Utilisation (CCU) and Carbon Capture and Storage (CCS)

Direct air capture (DAC):

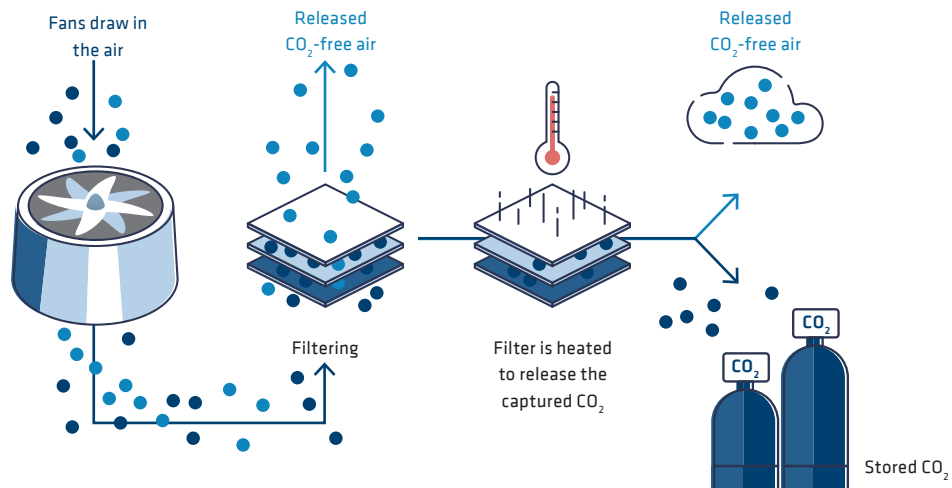
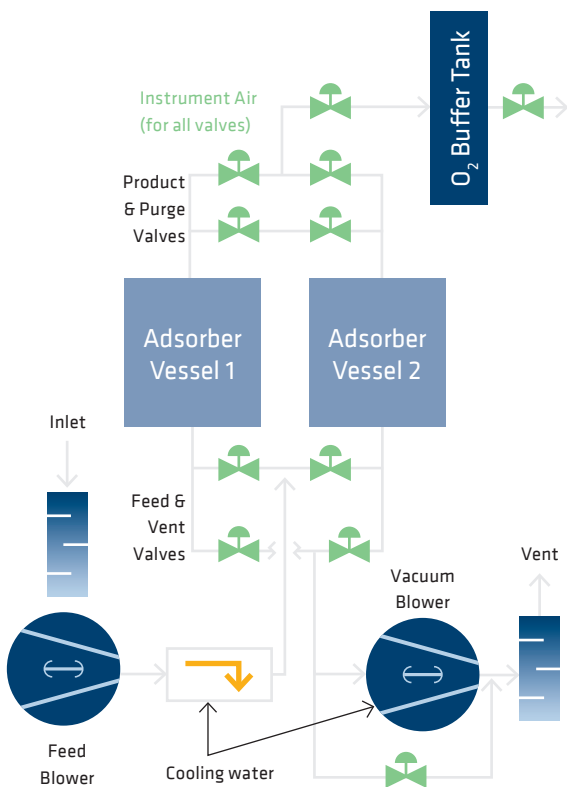


Figure 13a: Carbon Capture and Utilisation (CCU) and Carbon Capture and Storage (CCS)

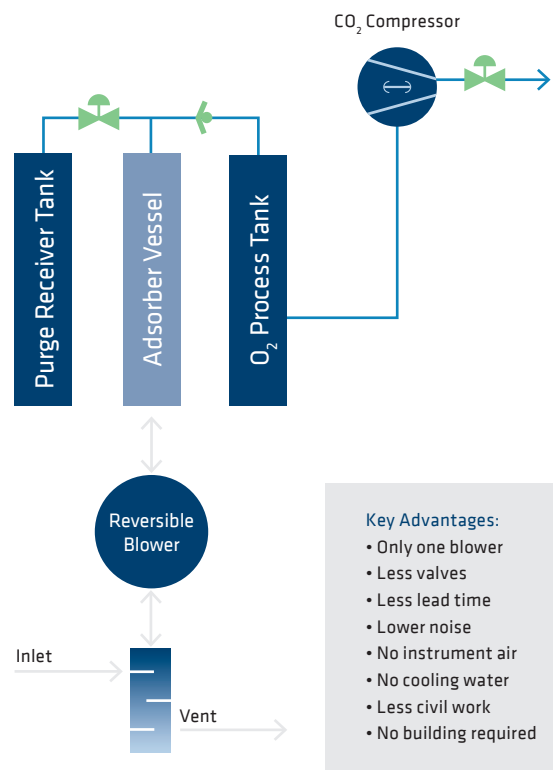
Synthesis gas treatment of H₂ and CO₂ using AERZEN VMY and VRW tail gas compressors via the PSA / VPSA process (Pressure Swing Adsorption or Vacuum Pressure Swing Adsorption)

is also a growing market worldwide. Molecular sieves are used here in intermittent operation to increase the purity of the gases in question for further industrial use.

VPSA Technology



VSA Technology



- Key Advantages:**
- Only one blower
 - Less valves
 - Less lead time
 - Lower noise
 - No instrument air
 - No cooling water
 - Less civil work
 - No building required

Figure 14: Pressure Swing Adsorption or Vacuum Pressure Swing Adsorption

Superlative hydrogen compression: Higher differential pressure with only one stage

With the VRW 536 M, the AERZEN Group is expanding its portfolio in the range of hydrogen-specific screw compressors. The innovative design enables the highest differential pressure in a single-stage, oil-free screw stage in a competitive comparison for the first time, with a minimum installation area and reduced investment and operating costs. The compressor is based on the principle of oil flooded screw compressors, but with one decisive difference: Instead of oil, water is used for cooling and sealing. The result is a highly efficient compression system with a higher differential pressure that can replace classic double-stage systems.

Technical details and efficiency benefits

The VRW 536 M is designed for a working pressure of up to 10 bar (abs.) and achieves volume flows of up to 6,000 Nm³/h at 50 Hz. It is controlled dynamically by a VFD with a maximal speed change of 1 Hz/s. Pre-drying of the moist hydrogen is not necessary. Double-acting, water-locked mechanical seals ensure complete oil-free operation. The use of stainless steel for rotors and cylinders guarantees a long service life, even with moist gas and repeated downtimes under pressure. Contactless rotor synchronisation takes place via a precise pair of gear wheels, which keeps the conveying chambers permanently unlubricated and free from contamination. The compressor is available both as a direct drive version and with a gearbox.

Flexible application options

The VRW 536 M is not only suitable for the compression of hydrogen, but can also be used for demanding gases such as flare gas or contaminated media. As a booster preliminary stage, it can be ideally combined with downstream compressor technologies. In addition to the individually configured package, the scope of supply also includes auxiliary media, the

drive train, instrumentation (with monitoring on request), the control system and an acoustic hood for low-noise operation.

Looking ahead: technological upscaling and oxygen compressor

The dynamic development of electrolysis technologies worldwide brings with it new requirements. The AERZEN Group is therefore already working on scaling the compressor sizes, in particular the VRW 736 M series, in order to efficiently process even larger volume flows in the future. In parallel, intensive work is being carried out on the further development of compressor technology for conveying the oxygen produced during electrolysis. AERZEN thus creates comprehensive solutions for the entire electrolysis process: From hydrogen production to complete gas utilisation.

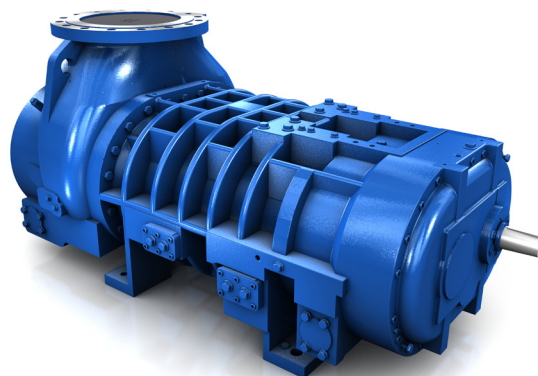


Figure 15: VRW536M

5. Products

5.1 Product safety

At the AERZEN Group, we place the highest value on the safety of our products and compliance with the applicable EU directives. In particular, the Machinery Directive 2006/42/EC forms an important part of our product safety strategy.

To ensure the safety of our machines, we carry out risk assessments on all our products. In doing so, we identify potential risks and develop appropriate measures to minimise or eliminate these risks.

Compliance with EU directives is confirmed on a subsequent declaration of conformity. This document proves that our machines comply with the requirements of the Machinery

Directive and meet all relevant safety standards. It also serves as proof of the conformity of our products to the legal requirements.

Furthermore, we equally comply with the national regulations of the respective countries in which we distribute our products. We are aware that specific safety standards and requirements may apply in different countries. Therefore, we adapt our products and processes accordingly to comply with national regulations and to ensure the safety of our customers.

5.2 Product design and development taking sustainability into account

At the AERZEN Group, sustainable product development is firmly anchored in the corporate strategy and thus reflects our guiding principle of "Engineering for a sustainable world!". Our machines and systems make a significant contribution to improving the environmental footprint of a wide range of applications. They impress with their high process performance and reduced energy consumption. In addition, our products are characterised by low maintenance requirements and durability. These two factors not only reduce costs, but also significantly improve the ecological balance of your investment. After all, the more durable a product, the lower the cost of repairs and spare parts.

We systematically consider the issue of sustainability in the early phase of product development, specifically in the product specifications. This document defines binding requirements for the entire life cycle of our products. In close cooperation between product management, sales and our customers, sustainability criteria are defined and consistently integrated into every new development process.

Efficiency

- Efficiency improvement Energy savings
 - Compressors exclusively with direct drive instead of belt drive
 - Use of more efficient motors
 - Further development of the suction and exhaust air concept
 - Reduction of pressure losses in package accessories
- CO₂-Reduction
- Adjustable machines / VFD
- Reduction in life cycle costs or TCO (operating costs and service)
- Digital service providers incl. extension of the sensor system
 - Monitoring of the operating state
 - Energy optimisation

Resources and materials

- No use of critical materials
- Use of recycled materials
- Biodegradable oils or food oils incl. reduction of oil quantities
- Reactive silencers
- Possibility of utilising waste heat by means of an aftercooler or for room heating
- Weight saving: Saving steel (material in general)
- Reduction of maintenance intervals to minimise the use of resources
- Plug & Play solution: reduced use of materials, e.g. savings on electric cables and control cabinet materials

- Stages:
 - Rotors without coating
 - Revision at site/ no complete exchange necessary
 - Coating for components in contact with media: suitable for foodstuffs

Environment and atmosphere

- Certified oil-free operation according to ISO8753-1:2010 class 0
- Prevention of leaking oil lines thanks to internal piping and pressure-tested hoses
- Use of an oil drip pan in the event of an accident
- Compactness
 - Smaller rooms with lower energy demand
 - Saving packaging materials during transport
 - Extension of the turndown → Large volume flow range due to fewer machines
 - High reliability, even in difficult ambient conditions
 - High bearing life LH10 ≥ 40,000 Oh
 - Customers' health and safety
 - Compliance with the relevant laws at all administrative levels as well as holding various supplementary product certifications
 - Reduction of noise emissions (machine noise and pipe noise)
 - Sealing gas version → gas not from conveying chamber

Production and social issues

- Manufacturing of the blower and compressor stages in Germany
- Global procurement strategy only via suppliers, who comply with our CoC

The defined specification merges seamlessly into the requirements specification. This is where the formulated sustainability requirements are translated into concrete technical specifications. The focus is always on increasing energy efficiency. In addition, we consistently use environmentally friendly operating materials and fulfil international requirements, e.g. those of the Dodd-Frank Act with regard to conflict materials. Compliance with directives such as RoHS and REACH, which prohibit or regulate the use of certain substances, is a matter of course for us.

Transparent documentation of all sustainability and safety requirements is particularly important to us. This enables us to prove to our customers that our products comply with the highest ecological and safety standards.

6. Environment

6.1 Description of our environmental policy

The AERZEN Group, an international manufacturing company, attaches great importance to the ecological footprint of both its own production processes and the systems we manufacture throughout their entire service life. In this chapter of the sustainability report, we provide a comprehensive insight into our measures and progress in the range of environmental protection and ecological responsibility.

The focus is on topics such as carbon dioxide emissions, the responsible use of water and waste, as well as energy consumption and its continuous optimisation. Through targeted measures, we do everything we can to minimise our environmental impact and firmly anchor sustainability in our processes. Regular reports prepared by the competent departments serve to monitor and evaluate these aspects. They help to present the current status transparently and enable deviations or potential for improvement to be identified at an early stage. The most important key figures are assigned to the corresponding sub-chapters of this report.

As a responsible company, we expressly recognise the importance of biodiversity and nature conservation. We are aware that our operating sites interact with natural ecosystems and therefore do everything we can to avoid negative impacts on them. Compliance with strict environmental regulations is just as much a matter of course for us as consideration for sensitive habitats and the diversity of species in our surroundings.

These principles are an integral part of our environmental policy, which currently still exists independently, but will in future become a component of a master overall policy for the environment, energy and sustainability, occupational health and safety, quality and food safety. With the introduction of this integrated standard, we intend to bundle our previous individual guidelines and thus create a standardised, holistic basis for our business activities.

THE AERZEN ENVIRONMENTAL POLICY

In times of increasing burden on life supporting ecological systems the saving and improvement of life quality requires a permanent struggle also of enterprises for an environmentally reasonable policy.

This is an aim all employees of our company follow in accordance with the following topics and under consideration of cost optimizing aspects:

- Development and manufacture of long lasting products with view to possible recycling as well as lowest energy consumption and sound radiation.
- Materials of only few variety.
- Material application by means of little weight and possibilities of re-use.
- Fabrication of our products on company grounds of 80.000 m² with covered production halls of 40.000 m² with lowest possible environmental load.
- Products can be detached and also repaired easily. Retrofit is possible.
- Silencers are mostly in metallic design without application of fibrous insulations. Example: discharge silencer of series Delta Blower.
- Primary coats with water-soluble colour.
- In-house block type heating and power station using electrical energy and waste heat for reduction of the pollutant emission.
- Use of packaging materials made of raw materials growing again.
- Preservation of our products by means of biodegradable oils.
- Registration and sorting of remaining material according to materials and tailings.
- Documentation of relevant environmental tasks and responsibilities or procedures in form of factory specifications and working instructions. We inform ourselves on recognised, national and international standards. Our business processes are subject to standard DIN EN ISO 14001 and DIN EN ISO 50001. Aerzener Maschinenfabrik is certified according to DIN EN ISO 14001 and DIN EN ISO 50001. The certificates can be accessed on the homepage www.aerzen.com.
- Besides the efforts spent for a best possible environmental protection, the striving for reliability of our products as well as the safe-guarding of our jobs represent an essential part of the company's philosophy.
- Environmental- and health protection as well as working safety are understood as leadership tasks. It is pointed out in the safety manual (SH01801) that safety and economic success of the Aerzener Maschinenfabrik are equal goals. Productivity and economy may not suffer from safety regulations.
- In order to meet the qualified requirements of new and developed places to work, our employees are specifically trained internally as well as externally.

G/ Glöckner - Andersen - Rosen

Aerzener Maschinenfabrik GmbH
Reherweg 28 - 31855 Aerzen / Germany
Telephone: +49 5154 81-0 - Fax: +49 5154 81-9191
info@erzen.com - www.aerzen.com



Environmental policy (A3-070-02)_EN_Headquarter
01|2025

6.2 Reduction greenhouse gas emissions

In this chapter of our sustainability report, we would like to give you an overview of our measures, progress and targets to reduce our CO₂ emissions.

As a manufacturing company with a global network of locations, we understand the responsibility for our ecological footprint. Our strategic alignment is on measuring, monitoring and reducing our greenhouse gas emissions.

In the following sections, we will discuss our emission sources, targets and strategies. We report on progress in energy efficiency measures, renewable energies and other initiatives to reduce emissions.

Our target is to develop long-term solutions that not only reduce our own emissions, but also those of our customers and suppliers. We believe that collaboration and knowledge sharing within the branch is crucial to finding effective measures to limit climate change.

Therefore, the following greenhouse gas emissions are recorded for the largest production site (Aerzener Maschinenfabrik GmbH). Prior to 2024, the key figures were calculated on the basis of the financial year. From 2024, data will be collected in calendar-year shape. The background to this change is growing regulatory requirements at EU level, particularly within the scope of the CSRD, which are intended to enable better comparability and standardisation with external reporting standards.

Scope 1 - Direct greenhouse emissions: In Scope 1, we record the combustion of natural gas and diesel in our own plants.

Scope 1 emissions remained largely stable over the reporting years. One exception is 2022: Due to the lower district heating procurement, more heat was generated independently using natural gas. As a result, gas consumption rose temporarily and emissions shifted from Scope 2 to Scope 1.

Scope 2 - Indirect greenhouse emissions: The use of electrical power and district heating is calculated and summarised here.

In 2021, our Scope 2 emissions were 3,561 tonnes of CO₂e. In 2022, they fell due to lower electricity consumption and reduced district heating purchases. In 2023, both electricity consumption and district heating purchases rose again, which increased total emissions. In 2024, district heating consumption remained unchanged and electricity consumption fell slightly. Nevertheless, Scope 2 emissions were higher than in the previous year because the emission factor of the purchased electricity (CO₂e per kWh) increased.

In line with our growing commitment to sustainability, we are switching to green electricity at our largest production site, Aerzener Maschinenfabrik, in 2025, thereby permanently reducing our Scope 2 emissions in the future.

Figure 12 indicates that tCO₂e emissions per € 1 million in sales fell significantly from 2021 to 2023, but could not be reduced further in 2024 as described above due to slightly increased CO₂ emissions in the Scope 2 area and similarly high emissions in the Scope 1 area and remained at a similar level to the previous year.

Key figures from 2020 to 2024 (in tCO₂e)

	2020/2021	2021/2022	2022/2023	2024
Scope 1	1,194	2,008	1,490	1,357
Scope 2	3,561	2,763	3,676	4,112
Sum	4,755	4,771	5,166	5,468

Chart 3: Scope 1+2 of Aerzener Maschinenfabrik (in tCO₂e)

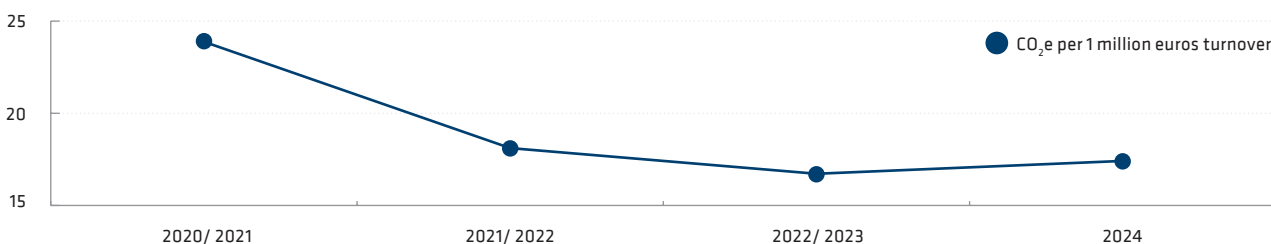


Figure 16: Development of the CO₂e emissions of Aerzener Maschinenfabrik

Scope 3

The AERZEN Group attaches particular importance to the effective reduction of our greenhouse gas emissions, especially indirect emissions (Scope 3), by taking a closer look at the supply chain and making purchasing and product decisions with a view to their CO₂ impact. One example of this is our continuous supplier development, for example by converting foundries to induction furnaces. Our future focus is also to increase sales of the more energy efficient Delta Hybrid to our customers. Thanks to the increased use of the Delta Hybrid, we achieve a significant reduction in emissions during the operating period. This measure actively contributes to reducing our environmental footprint and underlines our commitment to providing sustainable solutions.

We are also currently conducting internal projects to quantify greenhouse gas emissions along our upstream and downstream value chain. One running project focuses on the calculation of the product carbon footprint of machines used in the

wastewater industry. These calculations include emissions from the blanks, our production, emissions during the operating period and emissions during transport to the customer. Real CO₂ emission data is now available for all machine components and for our transport service providers, which is directly incorporated into the overall calculations for our machines. On request, we can already issue a certificate for the annual CO₂ emissions of our machines.

This expanded climate reporting allows us to better understand the impact of our products across their entire life cycle and take more targeted action to reduce emissions. 99% of the emissions produced by our products are generated during their service life at our customers. That is why our focus for improvement is in this field. Using our Delta Hybrids instead of a blower with the same volume flow results in CO₂ savings of as much as 20%.

6.3 Sustainable energy management

The AERZEN Group is actively committed to a sustainable energy policy and attaches great importance to energy efficiency and savings. To achieve these goals, we have an ISO 50001 energy management system in place at our headquarters. This system supports us in implementing effective energy optimisation measures and enables us to continuously monitor and improve energy consumption.

Our main objective is to achieve or exceed an annual energy efficiency increase of at least 2%. This aim enables us not only to meet the legal requirements of the Electricity and Energy Tax Act, which stipulate annual electricity savings of 1.2% and heat savings of 0.9%, but also to go beyond them.

To monitor the development of our environmental and energy key figures, we work closely with the management representative.

The key figures are compiled on the basis of an annual management review to ensure that they meet the targets and standards. The annual targets for the following year are derived from the key figures determined. The definition and determination of the individual key figures are defined in our internal instructions.

The energy consumption of Aerzener Maschinenfabrik totalled 21,469,738 kWh in 2024. While in the past analyses were based on the financial year, the calendar year was chosen as the reference period for 2024 for the first time in order to ensure better comparability with EU-wide regulatory requirements such as the CSRD and external benchmarks.

The following total energy consumptions have been recorded at Aerzener Maschinenfabrik in recent years:

Energy consumption at Aerzener Maschinenfabrik in recent years

Year	Energy consumption in kWh
2020/ 2021	21,544,181
2021/ 2022	23,130,701
2022/ 2023	22,903,878
2024	21,469,738

Chart 4: Energy consumption of Aerzener Maschinenfabrik in kWh

Energy consumption of Aerzener Maschinenfabrik in kWh referred to turnover

Year	Turnover in € million	kWh per € 1 million turnover
2020/ 2021	198.7	108,425.7
2021/ 2022	264.1	87,583.1
2022/ 2023	308.6	74,218.7
2024	315.2	68,114.7

Chart 5: Energy consumption of Aerzener Maschinenfabrik in kWh referred to turnover

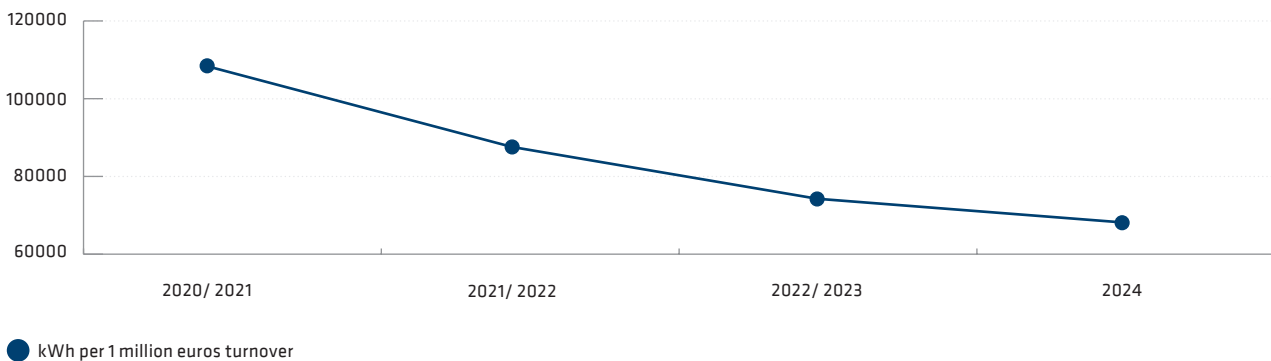


Figure 17: Energy consumption trend at Aerzener Maschinenfabrik

6.4 Sustainable water management

Water is an indispensable resource for life on our planet, and access to clean drinking water and adequate sanitation is a

fundamental human right. At the AERZEN Group, we are fully aware of the importance of water as a critical resource.

Water consumption breakdown in 2024

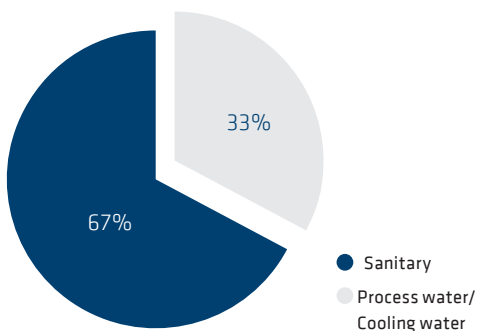


Figure 18: Water consumption breakdown in 2024

Water consumption at Aerzener Maschinenfabrik

Year	Water consumption in m ³
2020/2021	8,129
2021/2022	9,407
2022/2023	9,127
2024	9,014

Chart 6: Water consumption of Aerzener Maschinenfabrik in m³

Water consumption in m³ of Aerzener Maschinenfabrik referred to turnover

Year	Turnover in € million	Water consumption per € 1 million turnover
2020/ 2021	198.7	40.9
2021/ 2022	264.1	34.3
2022/ 2023	308.6	29.6
2024	315.2	28.6

Chart 7: Water consumption in m³ of Aerzener Maschinenfabrik referred to turnover

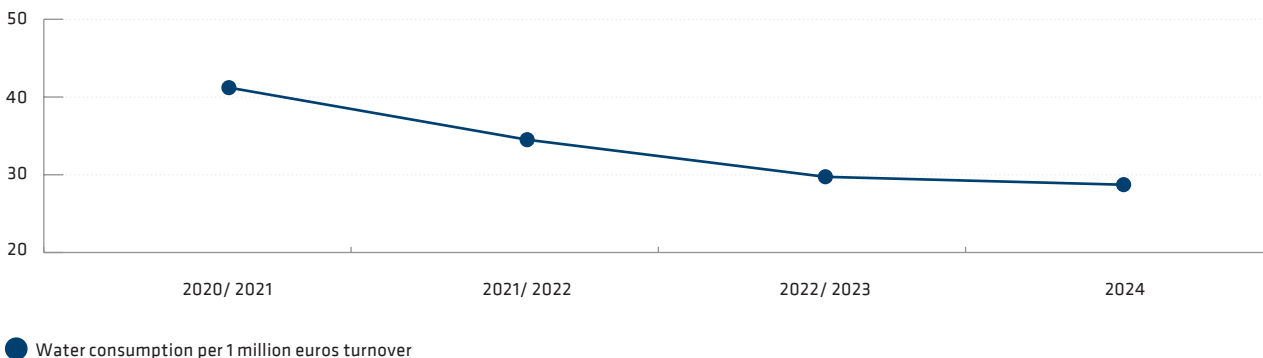


Figure 19: Development of water consumption at Aerzener Maschinenfabrik

In order to fulfil the requirements of the CSRD, water consumption will be recorded according to the natural calendar year from the 2024 reporting year. In 2024, we recorded the water withdrawal at our largest production site, which includes production, services and administration. In total, we took 9,014 cubic metres of water. Compared to the previous year, our water consumption fell by 1.2%. We measure and monitor our water consumption to get an exact image of our resource use and take targeted water efficiency measures.

In 2021, our water consumption was reduced to 8,129 cubic metres due to a temporary production downtime caused by a hacker attack. This exceptional circumstance led to a temporary reduction in consumption. However, production was able to continue as usual in 2022.

At the Aerzener Maschinenfabrik, we use environmentally friendly practices to ensure that our water resources are protected and maintained. We use retention tanks and separation systems to ensure that no contaminants are released into the environment. These systems help us to properly treat and clean wastewater and rainwater before it is released back into natural waters.

6.5 Sustainable waste management

Monitoring of waste from generation to recovery or disposal

Aerzener Maschinenfabrik produces waste such as residual waste, wood, waste paper, coating materials, solvents, cleaners, emulsion, metal sludge, etc. They are divided into non-hazardous waste and hazardous waste.

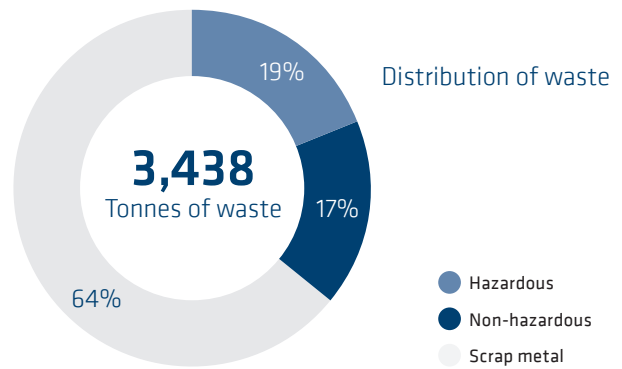


Figure 21: Distribution of waste from Aerzener Maschinenfabrik

Waste generation at Aerzener Maschinenfabrik in recent years

	Waste generation in tonnes		
	2021/ 2022	2022/ 2023	2024
Total weight of hazardous waste	572	660	643
Total weight of non-hazardous waste	1,963	1,248	599
Total weight of scrap metal	2,264	2,133	2,196
Sum	4,799	4,041	3,438

Chart 8: Waste generated by Aerzener Maschinenfabrik in tonnes

Waste generation in tonnes at Aerzener Maschinenfabrik referred to turnover

Year	Turnover in € million	Waste volume per € 1 million turnover
2022	264.1	18.2
2023	308.6	13.1
2024	315.2	10.9

Chart 9: Waste generation in tonnes at Aerzener Maschinenfabrik referred to turnover

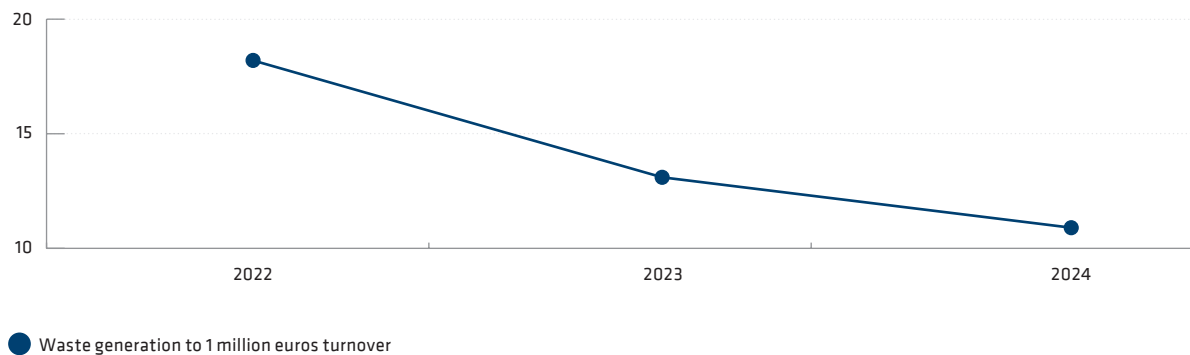


Figure 21: History of waste generation at Aerzener Maschinenfabrik

Wastes with different waste code numbers are collected separately. By separating waste by type in the individual areas, we comply with legal and official requirements on the one hand and can keep the amount of residual waste generated at the lowest possible level on the other.

The quantities and types of waste produced are recorded, documented and presented in tabular form in the operational waste balance.

A total of 28 types of waste were generated. According to the waste catalogue, 13 types of waste are to be classified as hazardous waste and 15 types of waste as non-hazardous waste. Details can be found in the waste balance.

The reporting period for waste generation has been adjusted since the 2024 reporting year: Instead of the previous survey

from October of the previous year to September of the running year, data is now collected on a calendar year basis. This is intended to improve the comparability and consistency of data, particularly within the scope of CSRD reporting.

In 2024, there was a significant overall reduction in the volume of waste compared to 2023. Non-hazardous waste declined particularly sharply, which is mainly due to the comparatively lower quantity of construction waste resulting from fewer construction and renovation measures. The volume of hazardous waste also decreased in 2024 compared to 2023. In 2024, AERZEN India used a total of 46.9 tonnes of wooden packaging within the scope of the AERZEN Group, of which 23% was reused for the shipment of spare parts, resulting in significant savings in packaging material.

Hazardous waste

No.	Waste code	Waste type	Weight (t) 2023	Weight (t) 2024
1	070304 gA	Solvent, cold cleaner	2.82	4.08
2	080111 gA	Old paints and varnishes	2.95	3.84
3	120109 gA	Emulsion	558.19	543.30
4	130802 gA	Emulsion crack detection booth	0.75	3.08
5	120116 gA	Steel agent residues	1.74	3.26
6	120118 gA	Abrasive sludge	42.21	37.68
7	120118 gA	Filter fleece covered with abrasive sludge	24.85	17.68
8	130205 gA	Waste oil	6.44	11.60
9	130205 gA	Oil separator contents	2.10	8.52
10	150202 gA	Oil filters, oily and greasy operating resources	0.31	2.64
11	150202 gA	Oil binding agent	0.65	1.04
12	160504 gA	Pressurised gas packings	0.07	0.07
13	160601 gA	Lead batteries	16.72	6.21

Chart 10: Hazardous waste

Non-hazardous waste

No.	Waste code	Waste type	Weight (t) 2023	Weight (t) 2024
1	020204	Grease separator	3.00	5.00
2	030105	Sawdust and wood shavings	15.00	15.00
3	200201	Document destruction	6.95	3.42
4	150101	Paper and cardboard (press container)	88.80	82.36
5	150102	Foil / plastics (press container)	25.82	24.72
6	150103	Waste wood	293.51	315.84
7	150103	Waste wood (panel sales)	55.90	41.35
8	160604	Dry batteries	0.25	0
9	200201	Green waste	4.00	10.22
10	200301	Residual waste (press container)	87.90	91.38

11	160216	E-scrap (flat screens, monitors, TV)	1.98	2.86
12	160213	E-scrap (printers, copiers...)	4.25	2.74
13	160211	Refrigerators	0.60	0.30
14	170107	Construction waste	619.00	2.55
15	200102	Styrofoam/insulation boards	27.75	0.0
16	200108	Kitchen and canteen waste	1.53	1.47

Chart 11: Non-hazardous waste

Scrap metal

No.	Waste code	Waste type	Weight (t) 2023	Weight (t) 2024
1	120101	Steel swarfs	671.78	670.78
2	120101	Casting swarfs	1,104.60	1,016.66
3	120102	Steel core scrap	112.58	135.25
4	120102	Cast core scrap	120.39	197.64
5	120102	Mixed scrap	85.49	121.50
6	120102	Sheet metal scrap	30.69	42.56
7	120102	Hard metal scrap (Widia)	0.88	0.78
8	120102	HSS scrap	0.17	0.18
9	120103	Aluminium swarfs	0.43	0.62
10	120104	Aluminium core scrap	0.67	1.11
11	120104	Brass + gunmetal	1.44	1.66
12	170411	Copper cable	3.64	2.35
13	170411	Copper electric motors	0.94	4.49

Chart 12: Scrap metal

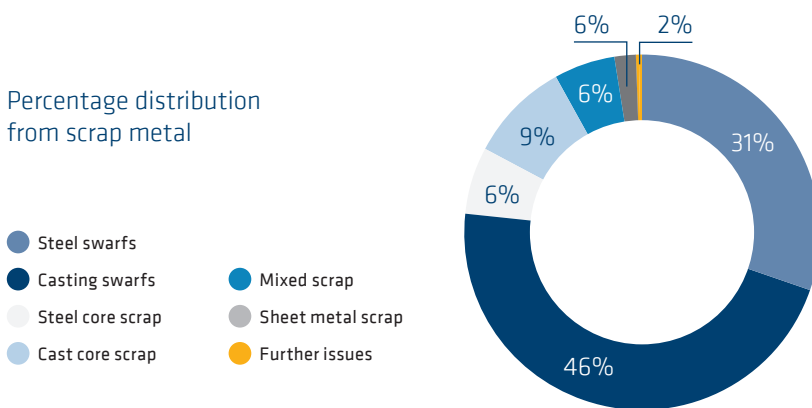


Figure 23: Distribution of scrap metal generated by Aerzener Maschinenfabrik

Compliance with relevant instructions

All disposal sites at Aerzener Maschinenfabrik are inspected regularly and the condition of the disposal sites is checked.

Any deficiencies identified are immediately discussed with the competent persons responsible. The implementation of the defined measures is checked during the subsequent inspection.

All certificates of disposal or recovery as well as all accompanying and acceptance certificates for the waste to be disposed of are available and can be inspected. All waste generated at Aerzener Maschinenfabrik is disposed of by certified waste management companies. The valid certificates of the specialised waste management companies are stored in our system. The current certificates are requested before they expire.

The main waste disposal facilities for hazardous waste are inspected and checked by the waste management officer during an on-site visit. When a waste management company changes, the corresponding waste management facilities of the new waste management company are also inspected and checked.

Declaration by company employees on waste separation and disposal

Together with the water protection officer, two large inspections were carried out combined with waste consultations.

General inspections and consultations take place quarterly at the waste collection points and disposal centres. Here, prob-

lems with waste handling, separate waste collection and disposal are discussed.

When employees become aware of practices requiring instruction during tours of the premises, they shall be instructed accordingly. Special attention is drawn to environmental protection, clean and proper use of storage areas and safe storage of bundles/reservoirs.

The processes of hazardous waste disposal are defined by legal and administrative regulations and the permits (assessment by the specialised authorities).

7. Social issues in our own business division

7.1 Employment at AERZEN

It is our more than 3,000 employees in over 60 companies worldwide who actively shape the exciting, challenging development of the AERZEN Group and prove the promise to our customers "Expect Performance" every day. The contribution of each individual is important for the overall result. People are the basis for the future increase in value of the company. The AERZEN Group wants to remain an attractive employer and therefore relies on a culture of honest, sincere and loyal cooperation. Profound training and further education as well as lifelong learning are part of a fulfilled working life. The AERZEN Group takes joint responsibility for creating a working environment in which employees are and remain healthy and workplace-related illnesses and accidents are minimised. Diversity and equal opportunities are not only core values, but prerequisites for being successful in an international environment. The AERZEN Group is committed to respecting human rights and the generally accepted core labour standards of the International Labour Organisation (ILO).

The Human Resources (HR) range is an important central department for the German locations of the AERZEN Group and reports directly to the CFO.

The product line organisation introduced on 1 October 2022 has since been further developed. The HR set-up coordinated by Aerzener Maschinenfabrik has established itself as a strategic partner for personnel management and has thus further contributed to the future viability of the AERZEN Group. HR moves closer to the operational business and supports the management of the product lines and central divisions at the headquarters. In-house payroll accounting, shared services, people development and recruiting complete the HR range and make it a partner to the business.

Against the backdrop of demographic change and increasing competition for talent, the AERZEN Group is dependent on regularly and successfully recruiting diverse, qualified people. Retaining them as employees is another essential task of human resources management. Both are prerequisites for satisfied employees and for the future viability of the company. Aerzener Maschinenfabrik therefore reports on newly employed personnel and staff turnover.



103 new employees employed in 2024

In 2024, a total of 103 new employees were hired at the headquarters. Compared to 129 new hires in 2023, this figure has fallen slightly, but remains at a high level. The continued high quantity of new hires in the past financial year is mainly due to the achievement of corporate targets, succession planning and the lower recruitment figures of previous years.

In the reporting year, an average of 1,135 people were employed at the parent company (previous year: 1,060). This figure includes all tariff and non-tariff employees of Aerzener Maschinenfabrik; trainees and interns were not included. The average was calculated from the total number of employees at the end of the month, divided by twelve.



1,135 employees are employed at the head office

The fluctuation rate in 2023 was 3.58%. In 2024, the fluctuation rate was 4.32%. A large proportion of the resignations are due to retirements.

The employee-employer relationship at Aerzener Maschinenfabrik is characterised by a long-standing, respectful dialogue and interaction with employee representatives.

The Supervisory Board is made up of representatives of the shareholders and the employees. There is also a works council at the parent company and at the German subsidiaries Aerzen Deutschland GmbH & Co KG, RKR and Emmerthaler Apparatebau.

Variety and equal opportunities

The AERZEN Group operates in a challenging international market environment with a wide range of stakeholders that impact the company in many different ways - from customers and competitors to the workforce, government and society. The AERZEN Group meets the many challenges of this culturally diverse environment with the principle of diversity. The AERZEN Group defines diversity on the basis of four personal criteria - origin, gender, age and qualifications - and two organisational criteria: mobility and flexible working. The latter refers to both the working hours and the place of work. Other diversity characteristics, such as disability or sexual orientation, are taken into account as part of equal opportunities for people. The AERZEN Group not only employs more people with disabilities than the legislator expects, but also supports the respectful employment of people with physical and mental disabilities by awarding contracts to project organisers. In order to promote diversity at all levels as far as possible and thereby create an attractive working environment, the AERZEN Group also takes into account modern work flexibilisation and promotes mobility within the Group.

7.2 Sustainable leadership at the AERZEN Group

Leadership development

In the area of management development, the AERZEN Group supports managers individually in difficult management situations. To this end, individual coaching and support for individual departments was offered and implemented. Management training courses were organised specifically for managers who are new to their role.

Our sustainable leadership culture is characterised by the AERZEN leadership principles, which are exemplified on a daily basis.

In order to help our employees feel more attached to the company over the long term, the Aerzener Maschinenfabrik offers employees various sporting and health-related activities outside their working hours. These include, among others:

- Company football
- Dragon boat team
- Running group
- Cycling group
- Factory Fire Brigade

We lead our personnel by means of agreed aims.

We promote and support commitment, personal initiative and the sense of responsibility of our staff.

We ensure that informed deputies are on site in times of absence.

We trust all employees, managers and partners to plan and act in a goal-orientated and loyal manner.

As leaders our behaviour has to be exemplary.

We promote cross-divisional communication and teamwork. Information exchange is important to counteract one-sided departmental thinking.

We communicate and inform openly, direct, free, steady and honest.

7.3 Training and further education opportunities for employees

Age structure

From the age structure at the headquarters, it is easy to deduce that the company will face major challenges in the next 5-10 years in terms of succession planning for employees leaving the company. This can already be seen in the increasing number of age-related departures. Demographic developments are making recruiting more difficult, which is why the internal training of tomorrow's specialists and managers and the optimisation of internal work processes will become increasingly important.

With a total of 1,190 employees, 143 women and 1,047 men work at the headquarters. An important goal is therefore to continue to recruit more women as employees for the entire AERZEN Group, despite the difficult situation in the industry.

Age pyramid
2024

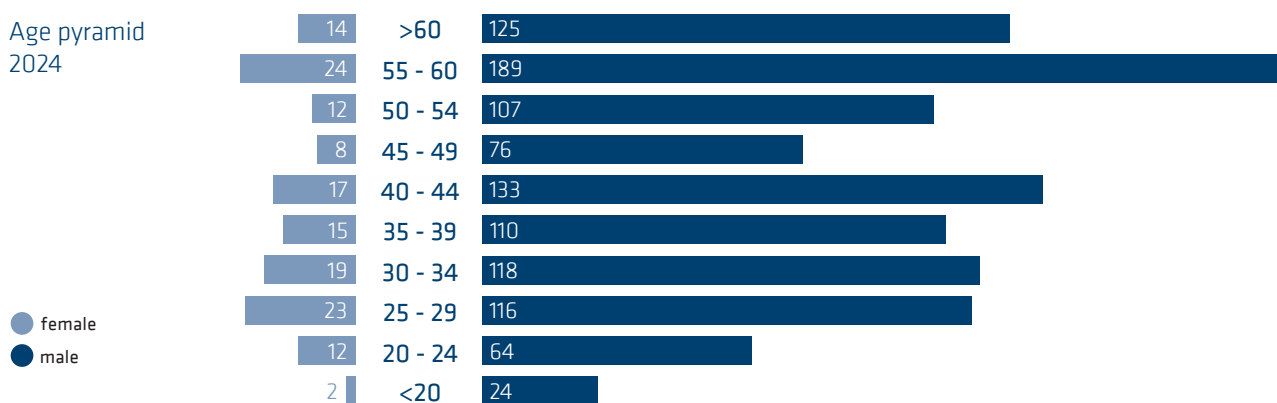


Figure 24: Age structure

In order to continue to find the best solutions for our customers and to remain competitive in the future, the AERZEN Group is looking for the most talented leaders who will continue our success story with their own ideas, passion and will. And in the best of company - because we are also a global team. We stick together and attach great importance to personal relationships - always reliable, respectful, open and fair.

Learning and further education

Based on the experience of recent years, the 2024 reporting year has confirmed that a mix of face-to-face and online formats continues to be used successfully in continuing professional development programmes. Depending on the requirements, topic and personal preferences of the participants, the right format can be provided for a goal-oriented and efficient training programme. In the compliance training range, the proportion of e-learning courses has been further expanded and this format has been introduced throughout the AERZEN Group; in future, this will form the basis for offering further topics in this format.

In parallel, various topics and workshops will continue to be offered and held in a face-to-face format. This ensures that networking and personal exchange are promoted in addition to knowledge transfer.

As a result, extensive training programmes on various topics and for different target groups were once again offered in the current reporting year. Both national and international target groups were trained.

Training at the headquarters

In the reporting year, 18 young people began a training in 7 different commercial and industrial/technical professions at the parent company.

The training workshop is the central location for technical training and also enables students and school pupils to gain an initial insight into the world of work during an internship. In 2024, there were 32 school interns and 13 interns as part of a degree programme.

The departments supported students with practical semesters and final theses. We offer them versatile opportunities to connect their theoretical knowledge with practice.



Figure 25: Working for AERZEN

In addition, 3 dual students were employed on 2 dual study programmes. These training courses lead to bachelor's degrees in various disciplines in six to seven semesters. The headquarters has also internationally aligned the practical phases with challenging projects for dual students.

Old-age provision

We provide our employees with safety through a collectively agreed/collectively negotiated income and the company pension scheme, the AERZEN pension, which creates value for

the AERZEN Group and national employees and thus secures our common future. For the AERZEN Group, the company pension scheme offers the opportunity to respond to demographic change and retain qualified specialists in the company on a long-term basis. The AERZEN Group strives to constantly optimise the existing administrative processes and service structures of the pension scheme in order to increase both transparency and safety.

THE AERZEN HEALTH AND SAFETY POLICY

The commitment of the steady improvement with regard to safety, health and environment protection under consideration of responsible care is essential part of the company philosophy of Aerzener Maschinenfabrik. Based on its tradition, Aerzener Maschinenfabrik is very much employee-oriented.

As family-owned company AERZEN places great emphasis on the health and satisfaction of its staff. This is being considered with every further development or modification of the company structures and strategies.

- The fields of action of the workplace health promotion are mainly determined at the Health and Safety Committee, but also during group meetings, at workplace inspections and by means of improvement proposals. For detailed procedure and legal foundations, please refer to our safety manual SH01801.
- Safety at work, protection of health and environment are major tasks and are bindingly defined within the company guidelines. According to the safety manual, safety and economic success of Aerzener Maschinenfabrik are company goals of equal importance. Productivity and economic efficiency must not be at the expense of safety or health. We inform ourselves on recognised, national and international standards. Our business processes are subject to standard DIN EN ISO 45001. Aerzener Maschinenfabrik is certified according to DIN EN ISO 45001. The certificate can be accessed on the homepage www.aerzen.com.
- With every new planning, e.g. the establishment of workplaces (offices and industrial employment) or the procurement of new machines, the safety specialist and the works doctor are both involved, so that safety- and health related as well as ergonomic aspects will be considered from the very beginning.
- Since 1950 Aerzener Maschinenfabrik has maintained the site fire brigade, in order to guarantee the safety of the staff and neighbourhood. The fire brigade is also called for assignments outside of AERZEN premises.
- Already in the mid 1990s AERZEN has been searching for possibilities to improve the general health situation of the company. Since 1996 we have carried out a health promotion project in cooperation with the health insurance company and the corresponding professional association. Since then, there has been a systematic health consultation for the care of AERZEN staff beyond what is mandatory. For many years, our works doctor has carried out the medical examination on recruitment as individual health consultation. At regular intervals, the safety engineer as well as the works doctor report about current topics.

G/ Glöckner - Andersen - Rosen

Aerzener Maschinenfabrik GmbH
Reherweg 28 – 31855 Aerzen / Germany
Telephone: +49 5154 81-0 – Fax: +49 5154 81-9191
info@aerzen.com – www.aerzen.com



AERZEN

Within the scope of the integrated management system, there is a multi-site certification in accordance with ISO 45001, which covers the parent company in Germany as well as the subsidiaries in Italy and - since the end of 2024 - also in the Netherlands.

The aim is to gradually transfer all companies to certification via the multi-site certification currently being set up by the AERZEN parent company in order to ensure that our high standards of occupational health and safety are also systemically safeguarded.

Aerzener Maschinenfabrik's continuous objective from our health and safety policy and ISO 45001 certification is a "zero accident philosophy". This high standard is accompanied and monitored by various measures. The background to this very ambitious claim is the awareness that only through this strict philosophy can the probability of a serious or fatal occupational accident be greatly reduced.

Occupational safety, health and environmental protection are seen as a management task and are bindingly defined in the company guidelines. The safety manual points out that safety and economic success are equally important corporate goals and that productivity and profitability must not be at the expense of safety or health.

Quarterly workplace inspections which must be documented by managers in their areas of responsibility ensure that occupational safety is firmly anchored in the consciousness of employees and that individual workplace hazards can be quickly identified and remedied according to the STOP principle (Substitution, Technical, Organisational, Personal Protective Equipment).

Workplace-specific or generally applicable risk assessments, including operating instructions, must be drawn up and mandatory training must be provided annually by supervisors together with the accident prevention regulations.

Staff training on occupational health and safety is primarily provided at the German locations in the annual accident prevention training courses required by law (UUV). UUV stands for accident prevention regulation of the employers' liability insurance associations and this regulates the processes for the safe handling of technical working and operating resources. The UUV represent the binding obligations for every company and every insured person with regard to safety and health protection in the workplace. Country-specific training in accordance with the respective instructions is the local responsibility of the management and site management. These training sessions are held by the respective supervisors or representatives in accordance with our annual training plan in order to secure safety for every employee.

The respective occupational safety specialist in the companies advises and informs the management on the status of occupational safety, improvements, occupational safety organisation, accident statistics and the required personal protective equipment.

With the introduction of the ISO standards 9001, 14001, 22000, 45001, 50001, a central SHEF team (Safety, Health, Environmental, Food) was also established, consisting of Q managers, occupational health and safety specialists, the company doctor, works council and the necessary officers for fire protection, water protection, waste, etc., in order to identify, channel, derive measures and monitor issues in a weekly review. An overall report by the person responsible for quality is submitted annually to top management as part of the management review in order to derive targets and measures for subsequent years as part of a PDCA process.

Supplementary annual internal and external SHEF audits also serve as part of the PDCA process to identify any problems in the context of occupational safety and health protection and to remedy these together with the top management via the annual management review.

The fields of action for workplace health promotion are mainly identified in the occupational health and safety committee (ASA), consisting of management, the works council and the company doctor, but also in group meetings, through workplace inspections and suggestions for improvement. The detailed procedure and legal basis are described in our safety manual.

Aerzener Maschinenfabrik offers its employees ergonomic working environments wherever possible. Safety officers monitor occupational safety in the factory. Regular training keeps the employees' know-how in dealing with machines and hazardous materials up to date.

Occupational health services are available at our locations for employees and external parties working there, and the confidentiality of medical data is guaranteed.

Health management

In addition to the occupational health and safety programme described above, we also offer a wide range of preventive health measures in response to demographic change. For example, our GeSi team (health and safety team) aims to improve employees' awareness of healthy lifestyles through individual campaigns and special health days. In addition, a flu vaccination is given to all employees on the company premises once a year (at the beginning of autumn).

For many years now, our company doctor has been conducting recruitment examinations with an individual and detailed health consultation. Our occupational safety specialist and our company doctor regularly give lectures on current topics.

The AERZEN Group continues to expand its health management system. As part of one project, for example, the AERZEN

Group is planning offers on stress management for employees who are under particular load. Staff workshops were held to systematically find out which requirements are mandatory in terms of applicable law and which are desirable from the staff's point of view. Such offers are within the local responsibility and will be incorporated into health management, as local self-reliance and especially established offers are to be promoted.

Company integration management (BEM) is an approach to overcoming incapacity for work, preventing renewed incapacity for work and maintaining the workplace (legal basis: German Social Code IX, §84 section 2). An internal BEM team, consisting of employer and employee representatives who are recognised as trusted persons within the company, is contacted at an early stage by managers and employees.

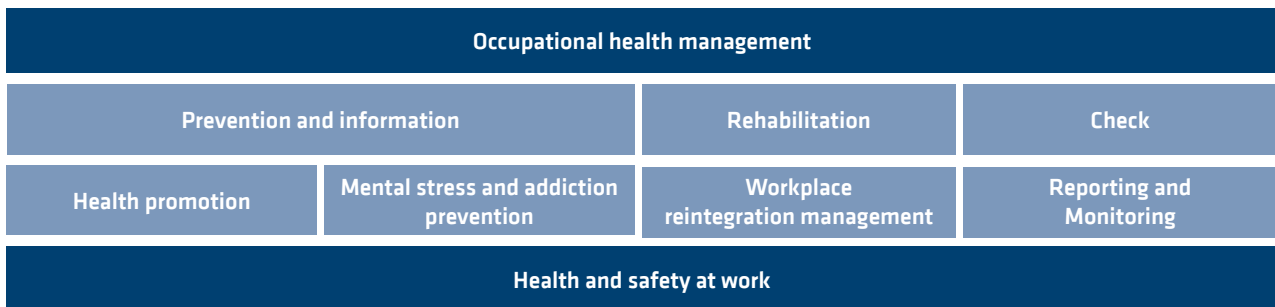


Figure 26: Health management

Travel safety management

The AERZEN Group offers comprehensive services in advance of a business trip and complies with its duty of care for its employees.

Appropriate preventive measures can be discussed and planned in the course of travel preparations. Measures are offered for particularly affected employment groups (services, sales, employees for planned project commissioning as well as After Sales orders in high risk countries).

7.5 Management of key figures in the range of occupational safety and health protection

Aerzener Maschinenfabrik has developed a comprehensive system of key performance indicators as part of ISO 45001 to analyse and derive measures in the area of occupational health and safety. This includes a wide range of evaluation criteria for occupational accidents (severity of the accident, injured body parts, age of the accident victims and potential cause of the accident), which help to establish more targeted measures.

The recording period for occupational safety data has been adjusted since the 2024 reporting year: Instead of the previous period from October of the previous year to September of the running year, data is now collected on a calendar year basis (January to December). The aim is to improve the comparability and consistency of data, particularly within the scope of CSRD reporting.

Compared to the previous survey period, both the quantity of reportable accidents at work and the frequency of accidents

were significantly reduced. This positive development is a result of the ongoing optimisation of technical and organisational measures and the effectiveness of preventive approaches.

In order to avoid recurrence, every accident is systematically evaluated within the scope of the internal continuous improvement process and, where possible, backed up with specific preventative measures. The analysis of the causes of accidents also indicates behaviour-related factors such as carelessness, failure to wear PPE (personal protective equipment) or irregular behaviour as frequent triggers. Technical causes, on the other hand, were effectively reduced through targeted improvements to systems and processes. In future, new production units will be given reinforced responsibility for defining their own accident prevention targets and working with the HSE team to develop concrete concepts for measures.

Accident key	2020/2021	2021/2022	2022/2023	2024
Reportable occupational accidents	13	15	16	11
Hours worked	1,262,677	1,455,654	1,500,713	1,605,158
Accident frequency per 1 million working hours	UH=10.29	UH=10.30	UH=10.66	UH=6.85
Occupational accidents per 1000 fulltime workers	12.21 VA=1065	13.73 VA=1092	13.73 VA=1092	9.48 VA=1160

Chart 13: Accident statistics of Aerzener Maschinenfabrik

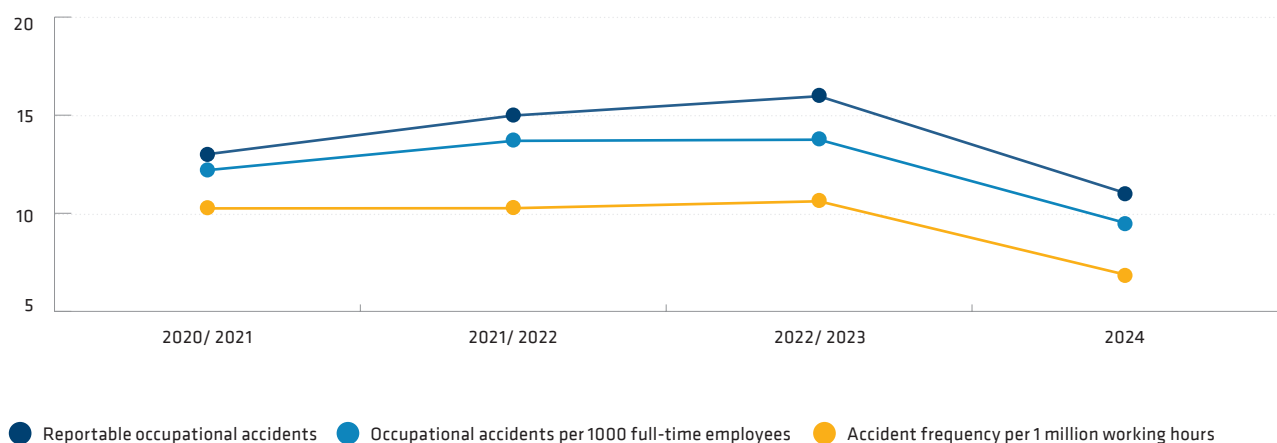


Figure 27: Accident overview of Aerzener Maschinenfabrik

Aerzener Maschinenfabrik consistently implements a preventive approach to occupational health and safety by systematically recording and analysing not only real accidents at work, but also near-accidents at the headquarters. This serves to recognise sources of danger at an early stage, prevent accidents and raise employees' awareness of potential accident hazards. Both real accidents and near misses are analysed in detail.

The company continues to use the SafeStart method to reduce behavioural risks. This supports employees in recognising risky situations at an early stage and increasing their awareness in potentially hazardous work situations. The focus

is on four typical triggers for carelessness: Overconfidence, frustration, time pressure and fatigue. Initial feedback and observations indicate that risk awareness and personal responsibility in everyday working life are increasingly being strengthened.

The systematic recording and evaluation of both real accidents and near accidents remains a central part of the safety culture at Aerzener Maschinenfabrik. This preventative approach helps to recognise risks at an early stage, continuously improve safety standards and promote safety awareness among the workforce in the long term.

8. Social issues in the supply chain

8.1. Sustainable Supply Chain - Compliant with the Supply Chain Duty of Care Act

The AERZEN Group has set itself the goal of establishing a sustainable supply chain and securing responsible procurement of products and services within the scope of the German Supply Chain Due Diligence Act (LkSG) and the European Corporate Due Diligence Directive (CS3D).

We recognise the importance of ethical, social and ecological standards along the entire value chain. In this chapter, we present the measures and initiatives already implemented by the Group in the range of supply chain management and sustainable procurement.

Supplier evaluation and code of conduct

In 2024, we once again carried out a comprehensive risk analysis of our global suppliers. Various criteria were taken into account, including the environmental impact of supplier activities, social responsibility, working conditions and ethical standards.

Our previously introduced code of conduct for suppliers continues to clearly define our expectations and requirements with regard to sustainability.

To ensure that our suppliers support our sustainability goals, we require all suppliers with an annual turnover of over 75,000 euros to the AERZEN Group to sign and recognise this code of conduct.

This sales threshold was introduced in 2023 as a risk-based selection approach to identify the most relevant business partners from over 5,000 global suppliers and was maintained in 2024.

By the end of 2024, the response rate for signing the code of conduct was around 80%.

Feedback rate LkSG 2024			
Risk level	Quantity of suppliers	Feedback	Response rate (%)
Low	384	296	77.1
Medium	32	26	81.3
High	75	70	93.3
Total	491	392	79.8

Chart 14: Feedback rate LkSG 2024

Risk suppliers and self-assessment

We recognise that there may be an increased risk with regard to sustainability aspects in certain regions of the world. Countries and regions with medium to high risk were identified using the ESG Risk Index (ESGI) and the Corruption Perceptions Index (CPI). Suppliers based in these regions were then subjected to a self-assessment process on ESG issues.

The aim of this process is to enable the AERZEN Group to assess the sustainability performance of these suppliers more accurately and to introduce targeted improvement measures where necessary.

In 2024, we significantly intensified our commitment to these suppliers and were able to achieve significant progress: The response rate for the self-assessment rose to around 90%.

Risk assessment for high-risk suppliers

We expressly recognise the relevance of the Supply Chain Due Diligence Act (LkSG). In addition to signing the code of conduct and the general self-assessment, we also require high-risk suppliers to complete a specially developed questionnaire focussing on human rights and environmental aspects.

The submitted answers will be carefully inspected by us. To ensure the reliability of the contents, we require suppliers to provide suitable written evidence, such as ISO certificates, company guidelines or comparable documents.

For suppliers who are unable to provide the required evidence to a sufficient extent, an on-site audit is carried out to obtain a direct image of the situation. If necessary, preventive and corrective measures are issued and their implementation is subsequently followed up. Our goal is to ensure that all suppliers fully fulfil the requirements of the LkSG.

ESG issues with new suppliers

We already place great emphasis on ESG (Environmental, Social, Governance) issues when selecting new suppliers. Since the end of 2023, we have been asking potential new suppliers about ESG issues in addition to quality and commercial issues to ensure that their products and services meet our sustainability standards. This procedure enables us to prioritise supplier relationships that meet our sustainability requirements from the outset.

By implementing these measures, we strive to build a transparent, responsible and sustainable supply chain. We are committed to ensuring that our suppliers share our values and support our sustainability goals. Through continuous review and co-operation, we ensure that our supply chain meets the highest standards of ethics, social responsibility and environmental protection.

8.2 AERZEN Procurement Network

As a globally active machine and system manufacturer with several production and purchasing companies, the AERZEN Group is facing the challenge of establishing and managing an efficient procurement network. In view of the global presence of the AERZEN Group and the large number of production sites, a well-coordinated procurement network, our so-called AERZEN Procurement Network, is of crucial importance in order to increase the competitiveness of the AERZEN Group.

The AERZEN Procurement Network is a complex network of suppliers, contractual partners and all AERZEN purchasers worldwide. With the AERZEN Procurement Network, we create global transparency regarding the purchase of purchased parts at the Group's various locations. This enables us to ensure the availability of materials and components, identify cost potential and optimise procurement and logistics processes. At the same time, however, local customer requirements, regulations and special features are taken into account in order to ensure smooth integration of the AERZEN Procurement Network into the individual production sites.

In order to further improve the transparency and efficiency of the AERZEN Procurement Network in the future, the AERZEN Group is focussing on the use of technology and digital solutions. Through the use of data analysis and supply chain management systems, the AERZEN Group can further optimise the global procurement process in line with the needs of our customers, identify bottlenecks at an early stage and shorten delivery times.

In global sourcing, we also firmly believe that sustainability and economic success can go hand in hand. Through our networked procurement activities in all AERZEN purchasing companies, we ensure that our sustainable supply chain at the AERZEN Group complies with the highest standards in terms of ethics, social responsibility and environmental protection - true to our motto: Engineering for a sustainable world!

As at the headquarters in AERZEN, environmentally friendly procurement practices are actively promoted throughout the entire AERZEN Procurement Network. This includes, for example, the selection of suppliers with environmentally friendly production processes and the use of sustainable materials. When selecting new suppliers, uniform qualification criteria apply throughout the Group, which must be fulfilled by the supplier and are regularly checked by our globally acting quality managers.

We work every day to ensure that no matter where our customers buy AERZEN products, they can expect not only the same quality, but also the same sustainability standards. Because engineering for a sustainable world already begins in the AERZEN Procurement Network.

9. Governance, responsibility and ethics

9.1 Preventive measures, training and reporting system

Preventive measures

In compliance, processes for the prevention of compliance violations play an essential role. The aim of compliance management at the AERZEN Group is to fulfil the requirements of legal compliance and business ethics and to promote integrity within the scope of business activities.

Compliance risks are constantly monitored and evaluated. Within the scope of structured risk management, compliance requirements are derived from this and integrated into operational processes.

The AERZEN Group considers the internal control system to be an important tool for controlling process and compliance risks. There are control standards for the core operational processes, which are regularly scrutinised and adjusted within the scope of a continuous improvement process.

The AERZEN Group has defined clear rules for business partner checks and uses a sanction screening tool for this purpose. These checks serve to verify and control business partners and are carried out on a mandatory basis in order to detect risks arising during a cooperation as well as in the run-up to a new business relationship and to take the necessary risk-minimisation measures. The latter can lead to the termination of the business relationship.

Due to the further tightening of export restrictions and economic sanctions, further measures were taken, in particular to raise awareness among sales staff in order to prevent the associated risks. AERZEN requires agencies and other service providers supporting sales to make a clear commitment to compliance.

Training

The AERZEN Group has an e-learning platform for the topics of anti-corruption, antitrust law, export control, money laundering and data privacy. The training content, which is mandatory for employees to complete, depends on their area of activity and responsibility. Basic training such as anti-corruption is mandatory for all commercial employees. New employees are assigned the necessary training content when they join the company. The training offer is constantly being expanded automatically.

E-learning training needs to be repeated regularly to refresh what has been learned. Employees take a final test to confirm that they have completed the training and that the contents have been clearly explained to them.

In addition, face-to-face training is provided; this can be teaching with physical presence or through online media. These serve for deepening the knowledge or are aimed at those employees whose languages are not yet included in the online training catalogue. In addition, this training can also reach those workers who do not have access to the group-wide e-learning platform. These training sessions are held by the regional or local Compliance Offices.

Violations of laws and instructions

In the case of violations of compliance rules, the violation is sanctioned according to the degree of culpability and severity. The sanctions range from admonishment to warning to dismissal. In particularly serious cases, the AERZEN Group reserves the right to sue the party concerned for damages or to report the violation to the competent authority.

The AERZEN Group expects all employees to report potential and actual compliance violations. In particular, managers have to ensure that serious misconduct is reported to the Group Compliance Officer.

Reporting system (whistleblowing)

A reporting channel is an instrument designed to ensure adherence to compliance rules. With an ombudsperson, the AERZEN Group has established a reporting system that guarantees the greatest possible protection for whistleblowers.

The contact details of the ombudsperson and important explanations on how to submit a report are made accessible to employees and external parties on the homepage. In countries where this is allowed, persons giving tip-offs can remain anonymous. The use of this established reporting channel is not binding.

It is customary and established that a report is forwarded to the Group Compliance Officer in any case. The associated guideline describes the responsibilities and process steps in case of a report.

9.2 Human rights and social standards

Core elements of corporate due diligence

Without exception, the AERZEN Group is against child and forced labour and stands for fair wages as well as freedom of assembly and freedom of expression. There is zero tolerance for discrimination, harassment and violations of corporate principles, no matter where in the value chain they occur. Awareness raising, training and action will ensure that high social standards are maintained everywhere and that human rights are respected at all times.

These principles and guidelines apply not only to employees, but also to suppliers and other business partners. They are a prerequisite for the establishment and continuation of business relationships. All business activities must be conducted in accordance with the UN Guiding Principles on Business and Human Rights and the core labour standards of the International Labour Organisation (ILO) and in strict compliance with local laws:

- Fairness and respect in the workplace, towards colleagues and business partners
- Discrimination against employees is not tolerated. The AERZEN Group stands for equal opportunities
- Attention is paid to appropriate and fair remuneration, taking into account local market conditions
- It is ensured that local laws on maximal permitted working hours are observed
- Child labour and other shapes of exploitation of people are not tolerated
- Employees are set with written employment contracts and on the basis of documented employment relationships in accordance with the law
- Employees' right to freedom of opinion and expression is respected

To meet our corporate due diligence obligations to respect and uphold human rights we follow the OECD Due Diligence

Guidance for Responsible Business. The principles are set out and communicated in a policy statement on respect for human rights and in the Code of Conduct.

ESG risks are regularly evaluated and, if necessary, suitable improvement measures are implemented. These will then be reviewed for effectiveness and summarised in a risk report. A complaints mechanism for employees and external business partners has already been established through the Ombudsperson.

With globalisation and the increasing division of labour in production, supply chains have branched out around the world. As a result, companies have a responsibility to ensure social and environmental standards in their supply chain - as described in detail in Chapter 8.

The guidelines and standards listed regarding social, ethical and ecological criteria follow international guidelines such as the principles of the UN Global Compact, the Charter of the International Chamber of Commerce (ICC) and the relevant conventions of the International Labour Organisation (ILO). The AERZEN Group expects its suppliers to comply with these standards and encourages them to carry this responsibility into their respective supply chains.

9.3 Data privacy and information security

Protection of personal data

As a globally active and innovative company, information and its use to realise the company's goals are of paramount importance. The AERZEN Group protects the personal rights of everyone whose personal data is processed. This applies to our employees, customers, suppliers, other contractual partners and applicants and includes all AERZEN companies and departments that process personal data.

Data protection violations can lead to significant fines and in some countries even to fines and imprisonment. Since 25 May 2018, the European General Data Protection Regulation (GDPR) has stipulated that violations can be punished with fines of up to 4% of the Group's turnover. In addition, data protection breaches can cause lasting damage to the reputation of the AERZEN Group. The AERZEN Group attaches great importance to compliance with data protection regulations and retains the right to take action against anyone who violates data protection law. Disciplinary measures may also be taken for this purpose.

The target is to prevent data privacy incidents or breaches with a data privacy policy. Employees are trained through face-to-face meetings and e-learning measures. The process for the secure and data protection-compliant destruction of personal and strictly confidential data is defined by a deletion concept.

The privacy policy and the deletion concept initially apply to subsidiaries with a location in the European Union. The extension of the privacy policy to include country-specific legislation and its inclusion in the deletion concept for all subsidiaries of the AERZEN Group is already being planned.

Compliance with data protection regulations and applicable data privacy laws is regularly reviewed by the external data protection officer, Datenschutz Nord.

Information security

The objective of information security is to protect information relevant to the company - both its own and that of its customers and partners. This is achieved by ensuring the confidentiality, integrity and availability of this information. Confidentiality means preventing or minimising unauthorised access to information. Integrity guarantees the reliability and correctness of information. Availability means that authorised persons have lawful and undisturbed access to data, objects and resources.

The protection of information is defined in the Information Security Policy. The policy is based on the ISO 27001 standard and is composed of various high-level information security regulations; it sets out the organisation's approach regarding information security management.

The Information Security Management System (ISMS) Framework directive describes the management system, which consists of security measures to protect against internal and external attacks. The ISMS enables the AERZEN Group to counter growing security threats with effective and efficient methods to protect sensitive information of all kinds - intellectual property (copyrights, trademarks, patents and trade secrets), strategic and personal data and pricing information, as well as other processed expertise - from theft, loss, unauthorised disclosure, unlawful access, misuse, alteration and destruction.

The information security management system is practised throughout the AERZEN Group. The head office has been ISO27001:2022 certified since 16 December 2024. Subsidiaries are to be certified in further steps. The Information Security Officer is the global process owner of the ISMS and is responsible for determining the level of security. He creates information security guidelines, ensures ICT security measures and appropriate security architecture and monitors requirements, processes and procedures for the proactive protection of all information and technologies.

10. Enclosure

Certificates



MANAGEMENT SYSTEM CERTIFICATE

Certificate no.:
10000406841-MSC-RVA-DEU

Initial certification date:
01 March 2014

Valid:
13 December 2023 – 28 February 2026

This is to certify that the management system of



Aerzener Maschinenfabrik GmbH

Reher Weg 28, 31855 Aerzen, Germany

and the sites as mentioned in the appendix accompanying this certificate

has been found to conform to the Quality Management System standard:

ISO 9001:2015

This certificate is valid for the following scope:

Development, design, production, assembly, maintenance, sales and service of blowers and compressors

Place and date:
Barendrecht, 25 February 2025

For the issuing office:
DNV - Business Assurance
Zwolseweg 1, 2994 LB Barendrecht,
Netherlands



Eerie Koek
Management Representative



MANAGEMENT SYSTEM CERTIFICATE

Certificate no.:
10000406614-MSC-RvA-DEU

Initial certification date:
09 March 2015

Valid:
09 March 2024 – 08 March 2027

This is to certify that the management system of



Aerzener Maschinenfabrik GmbH

Reher Weg 28, 31855 Aerzen, Germany

and the sites as mentioned in the appendix accompanying this certificate

has been found to conform to the Environmental Management System standard:
ISO 14001:2015

This certificate is valid for the following scope:

Development, design, production, assembly, maintenance, sales and service of blowers and compressors

Place and date:
Barendrecht, 25 February 2025

For the issuing office:
DNV - Business Assurance
Zwolsseweg 1, 2994 LB Barendrecht,
Netherlands



Erie Koek
Management Representative

Lack of fulfilment of conditions as set out in the Certification Agreement may render this Certificate invalid.
ACCREDITED UNIT: DNV Business Assurance B.V., Zwolsseweg 1, 2994 LB, Barendrecht, Netherlands - TEL: +31(0)102922689. www.dnv.com/assurance



MANAGEMENT SYSTEM CERTIFICATE

Certificate no.:
C619791

Initial certification date:
20 April 2020

Valid:
20 April 2023 – 19 April 2026

This is to certify that the management system of
Aerzener Maschinenfabrik GmbH
Reher Weg 28, 31855 Aerzen, Germany

has been found to conform to the Food Safety Management System standard:
ISO 22000:2018

This certificate is valid for the following scope:

Development, design, manufacture, assembly, sales and service of blowers, compressors for the food industry. Category J

Place and date:
Vimercate (MB), 24 June 2023



MS N°0003

Member degli Accordi di Mutuo Riconoscimento EA, IAF e ILAC. Signatory of EA, IAF and ILAC Mutual Recognition Agreements



For the issuing office:
DNV Business Assurance Italy S.r.l.
Via Energy Park, 14, - 20871 Vimercate (MB) - Italy

Sabrina Bianchini
Management Representative



Lack of fulfilment of conditions as set out in the Certification Agreement may render this Certificate invalid.
ACCREDITED UNIT: DNV Business Assurance Italy S.r.l., Via Energy Park, 14 - 20871 Vimercate (MB) - Italy - TEL: +39 68 99 905. www.dnv.it



MANAGEMENT SYSTEM CERTIFICATE

Certificate no.:
C687115

Initial certification date:
16 December 2024

Valid:
16 December 2024 – 15 December 2027

This is to certify that the management system of
Aerzener Maschinenfabrik GmbH
Reherweg 28, 31855 Aerzen, Germany

has been found to conform to the Information Security Management System standard:
ISO/IEC 27001:2022

This certificate is valid for the following scope:
Employees, technology and data stocks belonging to the company as well as the business processes of Aerzener Maschinenfabrik GmbH in accordance with the statement of applicability version 3.0 dated 03.12.2024

Place and date:
London, 16 December 2024

For the issuing office:
DNV - Business Assurance
5th Floor, Vivo Building, 30 Stamford Street,
London, SE1 9LQ, United Kingdom



Eerie Koek
Management Representative

Lack of fulfilment of conditions as set out in the Certification Agreement may render this Certificate invalid.
ACCREDITED UNIT: DNV Business Assurance UK Limited, 5th Floor, Vivo Building, 30 Stamford Street, London, SE1 9LQ, United Kingdom - TEL:+44(0) 203 816 4000.
www.dnv.co.uk



MANAGEMENT SYSTEM CERTIFICATE

Certificate no.:
10000406691-MSC-RvA-DEU

Initial certification date:
12 April 2019

Valid:
23 May 2025 – 11 April 2028
Expiry date of last certification cycle:
11 April 2025
Date of last re-certification:
10 April 2025

This is to certify that the management system of



Aerzener Maschinenfabrik GmbH

Reher Weg 28, 31855 Aerzen, Germany

and the sites as mentioned in the appendix accompanying this certificate

has been found to conform to the Occupational Health and Safety Management System standard:
ISO 45001:2018

This certificate is valid for the following scope:

Development, design, production, assembly, maintenance, sales and service of blowers and compressors

Place and date:
Barendrecht, 23 May 2025

For the issuing office:
DNV - Business Assurance
Zwolsseweg 1, 2994 LB Barendrecht,
Netherlands



Erie Koek
Management Representative

Lack of fulfilment of conditions as set out in the Certification Agreement may render this Certificate invalid.
ACCREDITED UNIT: DNV Business Assurance B.V., Zwolsseweg 1, 2994 LB, Barendrecht, Netherlands - TEL: +31(0)102922689. www.dnv.com/assurance



MANAGEMENT SYSTEM CERTIFICATE

Certificate no.:
10000406767-MS-C-RvA-DEU

Initial certification date:
09 March 2015

Valid:
12 March 2024 – 08 March 2027
Expiry date of last certification cycle:
08 March 2024
Date of last re-certification:
02 February 2024

This is to certify that the management system of



AERZEN

Aerzener Maschinenfabrik GmbH

Reher Weg 28, 31855 Aerzen, Germany

has been found to conform to the Energy Management System standard:
ISO 50001:2018

This certificate is valid for the following scope:

Development, Design, production, assembly, sales and service of blowers and compressors

Place and date:
Barendrecht, 12 March 2024

For the issuing office:
DNV - Business Assurance
Zwolsseweg 1, 2994 LB Barendrecht,
Netherlands



Erie Koek
Management Representative

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ACCREDITED UNIT: DNV Business Assurance B.V., Zwolsseweg 1, 2994 LB, Barendrecht, Netherlands - TEL: +31(0)102922689. www.dnv.com/assurance

